

Advertising of Fabricated Parts

by

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I

Scope of Study - Viewpoint

The primary object of the work here undertaken has been the analysis of possible objectives sought, the profitableness of the means used, and the limitations upon the use of advertising of fabricated parts direct to consumers in periodicals of national circulation. This statement may bear some amplification. Advertising of the type under consideration is familiar to every one who reads the current magazines and observes the advertising appearing therein. Perhaps the classic example is that of Timken Roller bearings, advertising of which appears to the extent of a page every two weeks in The Saturday Evening Post as an average. What can a manufacturer hope to accomplish by such advertising where the consumer has no voice in the engineering problem of what bearing goes into the product he buys? Does the consumer have a voice in the engineering problem, and, even so, should it be heeded by the manufacturer of the product or should such selection be based upon more rational motives, namely, engineering tests? Is the consumer the one such advertising is designed to reach or is it another smaller group such as manufacturers of the finished product? Is there perhaps a composite of ap-

peals reaching various groups and resulting in direct and indirect benefit to the manufacturer of the part advertised? How far can such advertising be profitably carried? Is it useful only in introducing a product or may it be profitably employed in maintaining the market? What are the limitations upon its use so far as the characteristics of the part are concerned? These and countless other problems appear when various aspects of this type of advertising are considered. An attempt is here made to answer some of them.

The analysis is undertaken mainly from the functional viewpoint. That is to say, an attempt is made to fit consumer advertising of fabricated parts into its proper place in the complete distributive function. It seems evident that this is purely a problem of distribution inasmuch as all advertising is a problem of distribution and in any particular case must be made to fit itself properly into the distributive program. While there are of course distinctly technical advertising problems they have no place in this discussion except as they bear directly upon the problem in hand.

It was found at once that a random treatment of the subject, selecting illustrative material first here and then there, would not suffice. After a survey of a large number of marketing and advertising works it was discov-

ered that the field offered little of prepared analytical material on the subject. Periodical literature in the field proved more fruitful, however, and the files of all those periodicals available were surveyed and material gathered. In most cases the particular aspects of consumer advertising were analyzed with respect to the methods and experience of specific concerns, parts, or materials. It thus becomes a part of the problem here to coordinate such results and incorporate them into a further analysis, building up finally a body of general conclusions which may, with more or less validity, be applied in any case. It was further necessary to accumulate and to analyze the primary material available in the form of advertising appearing currently and for some time past.

II

Justification of Study

In a preliminary survey there was discovered a vast field of material from the viewpoint of the production of advertising copy. This, of course, bore little relationship to purely distributive problems being concerned chiefly with journalistic aspects of advertising and no reference was found to the particular type of advertising under consideration. On the other hand, much material exists, dealing with the purely economic aspects of advertising in general but again with little reference to the type in question. Further, general works on the subject of marketing selling, or merchandising frequently, though not invariably, recognize the practice of advertising fabricated parts direct to the consumer but avoid analysis of the problems involved as suggest in the first section. It, therefore, seems evident that some such attempt at a comprehensive analysis of the practice would be interesting at least to those in whose minds questions have arisen, and it is hoped of some further value to the student of marketing.

III

The Problem of Distribution

A. In General

In brief it may be stated that one of the principal problems of distribution as it affects the individual concern is that of securing a market for the product and of effectively developing, serving, and maintaining such market. This concept distinguishes the use of the term as a marketing function from the way in which it is employed by economists, namely, the distribution of the net product among the factors of production, land, labor, capital, and management. It might be well to digress for a moment at this point for the purpose of defining terms.

The viewpoint here taken, as pointed out on page 4, will be that of the individual producer with particular reference to function. It seems evident that without doing violence to the views of current writers on the subject, marketing may be considered as a synonymous term with distribution. ¹Tosdal attributes to L. D. H. Weld, the following classification of marketing functions: "...assembling, storing, assumption of

1. H. R. Tosdal, Problems in Sales Management, McGraw-Hill, Rev. 1931, P.3.

risk, financing, re-arrangement, selling, and transportation." Such a classification is broad in its scope and fully covers those functions usually considered as being involved in distribution. But here we are concerned with only one of those mentioned above, selling in its broader sense as including those stages through which the prospect must be led in inducing him to make a purchase: "consumer recognition, consumer preference, and consumer demand."¹ The term merchandising, however, has been defined² as "...the active solicitation of patronage" and would thus appear to have the same scope as selling when taken in the sense above indicated. On the other hand, when we consider the statement: "Sales and production are coordinate factors in industry"³ we must consider the term "sales" to include most if not all of the functions mentioned above, that is to say, where production ends, selling begins. For our purposes, then, there is no particular point in distinguishing between the terms but all will be used in the broader sense with no restricted connotation.

1. M. T. Copeland, Principles of Merchandising, A. W. Shaw and Company, 1927, P. 261

2. M. T. Copeland, Principles of Merchandising, A. W. Shaw and Company, 1927, P. 3

3. M. T. Copeland, Principles of Merchandising, A. W. Shaw and Company, 1927, P. 8

The considerations discussed so far in this section apply to any producer who is faced with the problem of disposing of the product which his plant is set up to manufacture. It must be assumed that the manufacturer is sufficiently familiar with conditions in the trade so that he will not set up his plant to produce an article for which there is no potential demand. On the other hand, rare indeed is the manufacturer of a product, the demand for which exists to the extent that selling effort is not required. In such case the sales organization would be replaced by a clerical force to handle orders, but even though such a condition existed, industry today is alert and competition would soon result in filling this "vacuum" to overflowing. As Reed¹ puts it: "The search for outlets cannot stop. Manufacturers can and must actually create new markets. They must create tastes and desires that have never existed except potentially. They must teach people that the use of the product will increase their standard of living, culture, and comfort."

B. Related to Fabricated Parts

There was a time when a so-called "vacuum" existed and the primary object of industry was production, but to-

1. Vergil D. Reed, *Planned Marketing*, Ronald Press Company, 1929, P. 3

day we are faced with what has been called a "buyer's market". This involves two groups of activities so far as the producer is concerned. It is necessary first to interpret the facts available with respect to the consumer and his buying and consuming activities and thus determine the trend of consumption; in other words, determine what are the desires of the public and what they are apt to be in the future. The second group of activities is aimed directly at the disposition of the product and involves the three steps of demand creation mentioned above: "consumer recognition, consumer preference, and consumer demand".

But what is the relation of the above discussion to the problem of disposal of the product as applied to the manufacturer of fabricated parts? He has, of course, the same problem of creating or developing a market, but different methods from those of the manufacturer of consumers' goods must be employed. The distinction lies in the nature of the markets. In the one case the results of demand creation are direct and in the other indirect.

But first let us set up a classification of commodities for the purpose of analysis. Copeland¹ gives the follow-

1. M. T. Copeland, Principles of Merchandising, A. W. Shaw and Company, 1927, P. 11-18

ing:

Goods sold for retail distribution.

Convenience goods, purchased in easily accessible stores.

Shopping goods, purchased after comparison is made.

Specialty goods, whose attraction is other than price.

Goods sold for industrial purposes.

Installations.

Accessory equipment.

Operating supplies.

Fabricating materials and parts.

Primary materials.

Obviously, demand created for goods in the first group will be reflected in sales of these goods provided they are available to the consumer. In the second group, however, we have two classes of demand; one for productive consumption, the other for ultimate consumption. This leads us to an important distinction between the two types of demand. Sales direct to manufacturers are characterized by rational buying motives while those to the consuming public are characterized in large part by emotional or non-rational motives. But here we are interested only in the fourth sub-group of the second category of the above classification. Of what importance to us is the complete classification?

The manufacturer of fabricated parts is faced with the same problem as any other manufacturer, wholesaler, jobber, or retailer, that of securing distribution of his product at a price that will yield a profit. Several methods are open to him. He may concentrate his efforts

in making a product of standard quality at the lowest possible cost and rely upon price in making sales, going direct to the manufacturer of the finished product in which the part is designed to be incorporated. If he has a product which adds a visible sales appeal, he may go to the retailer for the purpose of exerting leverage upon the manufacturers. Or finally, he may take his appeal to the consumer in the hope that the demand generated will be translated to the manufacturer of the finished product and result in an effective demand for the part. In the latter case it will be necessary that the part be branded or trade-marked for the purpose of consumer recognition. The ramifications of these methods and the means employed are extensive and vary with the characteristics of the part and of the finished product. They will be taken up in greater detail as the analysis proceeds.

The Place of Advertising in Distribution

A. In General

From the standpoint of the individual manufacturer, advertising holds a well-nigh undisputed place in the solution of his marketing problems. The advertising department is frequently accorded a position coordinate with that of sales although it is in a sense supplementary to the work of the latter department. Those items characterized in the preceding section as "Goods sold for industrial purposes," with the exception of fabricating materials and parts, are advertised to reach directly the groups of industrial users constituting the potential market. The media need not be discussed. The object is, of course, to smooth the way for the salesman, to supplement his work, and in some cases to solicit mail orders.

Advertising of those items characterized as "Goods sold for retail distribution" will vary in its methods depending partly upon the channels through which these goods reach the final retail outlet. It may be desirable, and frequently is in the case of a new product, to grant an exclusive agency to a distributor, depending upon the incentive given him in the form of commission upon all

sales to build up the retail and consumer demand through advertising or other efforts. Usually his efforts will exclude consumer advertising, however, which will be carried on by the manufacturer independently. Where distribution is through a large number of wholesalers or jobbers, it is usually because the retail demand has been built up and the problem is merely to reach the largest possible number of retail outlets. Wholesalers' commissions are small and the expenditure of the manufacturer is largely for advertising to consumers to maintain the demand. If the manufacturer employs his own salesmen to call on the retail trade, consumer advertising may be employed to build or maintain the demand. In many cases, regardless of the channels employed in reaching the retail outlets, advertising may be direct to the retailer by means of selective mediums or direct mail. It is hoped that he will thus be more inclined to stock and push the product.

There are certain questions of advertising policy which are characteristics of the individual classes of goods within the retail group. These questions will not be considered here. It is evident, however, that the manufacturer of such goods has at least three choices of policy. He may direct his advertising toward the wholesale or jobber group, the retail group, or consumers as a

group. It might be suggested here that consumer advertising may be designed to influence all three. The situation, therefore, of the manufacturer of goods for retail distribution is similar to that of the manufacturer of fabricated parts except that in the latter case the consumer demand created returns to the manufacturer by an indirect route. This may have an important bearing upon the methods of demand creation employed.

B. Related to Fabricated Parts

As it has been suggested, the manufacturer may confine his selling efforts strictly to those manufacturing the product in which his part is designed to be incorporated. If such a plan is to be followed, he will seek out the advertising media which most economically and efficiently reach this group and will confine his advertising to them. It will be necessary to appeal to rational motives on the part of the manufacturer such as lower costs, increased efficiency in operation or satisfaction in use, and increased saleability¹ of his product. The

1. H. K. McCann, "The Planning and Preparation of an Advertising Campaign", Harvard Business Review, Vol. I
 "This motive, it may be pointed out incidentally, is back of the efforts of manufacturers of fabricating parts who advertise to consumers. The manufacturer of automobiles, for example, who recommends to consumers the purchase of automobiles equipped with his bearings and seeks to show the merits of those bearings to the consumers, utilizes this buying motive as a lever in soliciting orders from automobile manufacturers. (see bottom of next page)

self-interest of such manufacturers is thus relied upon to result in sales of the part advertised. Fulfillment of the promises made in the advertising will of course be essential to a continuation of the market created.

The manufacturer of the fabricated part may, however, advertise directly to the retailer in an effort to convince him of the same desirable features just mentioned. Thus convinced that incorporation of the part in the product which he sells will result in greater sales or, which may mean the same thing, greater ease of selling and greater customer satisfaction, he will bring pressure to bear upon the manufacturer of the complete product and sales of the part will result.

But it is possible that through consumer advertising, pressure may be brought to bear from yet another source and at the same time some influence be exerted upon both¹ retailers and manufacturers. A recent Harvard case study

It is not necessary, however, as is shown by examples of the use of this buying motive cited below, to go over the head of the manufacturer of the finished product to consumers in order to utilize this motive. The manufacturer of equipment and materials, that cannot be identified in the product in the manufacture of which they are used, has a powerful appeal without exerting a direct influence on the consumer."

1. Barbour Felting Company, Harvard Business Review, Vol. V, 1926-27, P. 350

which presents an analysis of the strategy of consumer advertising of a fabricated part is here summarized in outline form:

Ways in which sales may be stimulated through consumer advertising.

1. Influence upon the consumer
Consumer inquiries will be ultimately reflected in manufacturer demand.

Here the consumer generates the demand.

Appeal may be only strong enough, however, to constitute a selling point for the retailer but not to create consumer demand even though inquiries result.

2. Influence directly upon the manufacturer
Manufacturer may feel that advertising will help him to increase his sales if he incorporates the part in his product.

He may wish to utilize the possible selling points as an aid in selling retailers.

Consumer recognition only is required.

3. Influence upon the retail trade
Retailer wishes to cash in upon advertising.

Does not wait for demand to arise -- suggests to manufacturer the possibility of sales.

After the product is stocked the dealer will cooperate with the advertiser.

Influence upon the consumer not essential.

It thus seems evident that consumer advertising may be quite profitably utilized by manufacturers of fabricated parts in creating and maintaining a market. It is now the problem to determine by analytical methods, under what circumstances and subject to what limitations such advertising is profitable. More specifically, an attempt will be made to determine the qualifying effects upon the

profitableness of such advertising of the following: the physical characteristics of the part, the extent to which the part loses its identity, the quality of the part, possible adaptability of the part to other industrial fields, the scope of operations of the manufacturer of the part, possibility of successful imitation, possibility of replacement, use of brand of trademark, scope of the market for the part, the responsibility of the manufacturer of the finished products for its units, the stage of development of the industry, tendency toward stability or change in the industry.

V

Regarding Conclusions Which May Validly Be Drawn

According to the Harvard Report cited in Section IV, such a part may be profitably advertised to consumers only during the period of introduction, the primary purpose being to apply a sort of pressure upon the manufacturers of the article in which the part is incorporated. Assuming this theory to be correct, there are two possible conclusions to be drawn from the discontinuance of the advertising of a fabricated part. First, it might be assumed that the necessary pressure had been applied to manufacturers and use of the part established. Thus, sales efforts should now be applied solely to manufacturers in order that they continue to be convinced of the increased saleability of their product because of incorporation of the part therein. On the other hand, in the absence of definite information to the contrary, an equally valid assumption might be that the advertising in question had failed of its purpose. No pressure upon manufacturers had resulted, expected sales to them had failed to materialize and the campaign had therefore been abandoned.

The theory above referred to, however, would not appear to be entirely valid. Witness Timken roller bearings, New Departure ball bearings. It seems that a more ten-

able position is to the effect that mere introduction of the part to the public and to the trade is but a single aspect of the problem confronting its manufacturer. In the above cited cases, there appears to be an entirely conscious and purposful attempt to establish the parts in the public mind as quality products. As such they testify to the integrity and foresight of the manufacturers in whose products they are incorporated. An effort is made continually to keep alive this mental state so that not only will the manufacturer be convinced of the improvement in his product but will be led to look upon the incorporation of the part as a feature with a positive selling appeal. When such advertising is looked upon in this light, the first assumption mentioned in the preceding paragraph is eliminated as invalid.

But arbitrary standards cannot be set up by which valid conclusions may be reached in every case. If it were possible within the limits of this study to examine carefully the sales records of each concern involved, more valid conclusions might be drawn. Some of the desired information is available from current publications and will be drawn upon to some extent. But even though such information were complete, it would not tell the whole story. Factors other than advertising have such bearing upon sales and these factors are frequently so

elusive and transitory that it is all but impossible to isolate them and measure their effect. It is likewise difficult, if not impossible, to isolate and measure the effect of a particular program of advertising. The question to be answered therefore resolves itself to this: What valid conclusions, if any, may be drawn from such a study as the present?

Conclusions are as valid as the hypotheses from which the argument proceeds, provided the argument is logical. Here it will be attempted to treat product considered as a separate case in so far as this is possible and to utilize all the information available in analyzing it and the record of its advertising. Facts will be stated as facts and opinions will be offered as such. An attempt will be made to reason logically and the reader will be left to judge the validity of the conclusions.

VI

General Plan of Analysis

A number of periodicals were surveyed in selecting the basis for this study. The extreme scarcity of the type of advertising under consideration in all save one (The Saturday Evening Post) and the similarity of the particular advertisements appearing precluded the advisability of making the tabulation more comprehensive. It was thought that the data secured were adequate to justify such conclusions as have been drawn from the figures as such. The greater emphasis is placed upon analysis of the series of ads recorded for particular concerns, appropriately grouped. These provisional conclusions will then be revised, if necessary, in the light of all others as the concluding step.

It was originally intended to include in the survey and tabulation only those items which lose their identity after becoming incorporated in the final product. There are many appearing in the tables, however, which do not fall strictly within this category but a consideration of them is instructive by way of comparison and they are useful in bringing out certain points. It is also true that considerations involved in the advertising of these supplementary items are frequently analagous

to or identical with those concerning products wholly within the class to be analyzed primarily and for this reason they merit inclusion. Sufficient care was exercised, it is thought, in consistently selecting items of the same general type that conclusions drawn from the tables as such will not be vitiated. The possibility of heterogeneity of data is not lost sight of, however, and conclusions are not to be stated arbitrarily.

For purposes of analysis, three divisions of the products tabulated have been made as follows: A. Those the market for which is, and probably will continue to be, entirely indirect in nature; B. Those for which there is now considerable replacement or direct market but which will conceivably develop to the point where this market will become insignificant or disappear entirely; C. Those for which there will continue to be some primary or direct market. This classification is more or less arbitrary and fine lines of distinction cannot be drawn. Classification will be to a great extent a matter of judgment and later developments will quite likely bring out erroneous conclusions but if these categories assist in the work of analysis they will have served their purpose well. It will of course be necessary to classify further the products falling within each group but these classes will depend largely

upon the nature of the items thus segregated.

In some cases where a line of products has been advertised together or where different aspects of an item make it desirable to do so, it has been included in more than one classification the better to analyze the factors in conjunction with items having similar characteristics.

It will be apparent upon inspection of the tables that the great majority of the items listed are pertaining to the automotive industry.¹ This might suggest a further classification on this basis but it seemed best to classify the items on the basis of their subjective characteristics. They will then be analyzed, both from this standpoint and objectively from the standpoint of the demand for them, quite apart from the special characteristics of the market for the particular completed product involved. One comment which might be made here in regard to the automotive industry and market is that it constitutes one of the largest single industries in the country today. Most drivers constituting the mar-

1. M. T. Copeland, Principles of Merchandising, Page 148. Referring to consumer advertising he says, "Although it seems to have been successful, particularly in the automotive industry, during the period of technical improvement and rapid growth, it is not yet certain that it has a permanent place as a merchandising method for the manufacturer of most types of fabricating materials and parts."

ket consider themselves technical experts upon the construction and operation of automobiles; hence the value of a technical appeal.

VII

General Conclusions Drawn from Tabulated
Record of Advertising Which Appeared in
The Saturday Evening Post During the Past
Five Years.

(Tables at close of this section)

The products are listed by name in alphabetical order at the left and the amount of advertising in pages is listed opposite by months. The columns are then totaled at the right to give annual totals by products and at the bottom to give monthly figures for all products listed. The six months totals are indicated below and the grand annual total of pages appears at the lower right hand corner. The principal use of the product figures is in connection with the analysis made in the following section. It is proposed here to examine the six months' figures for all products to determine, if possible, their significance. The data for 1932 is here left out of account since it is impossible to complete it for the first six months before the conclusion of this study.

Looking first at the six months' totals, the thing which arrests the attention is the regular increase in amount of advertising space utilized up to the first half of 1929 as a peak and the regular decline following that period. The conclusion thus indicated is that in a period marked by increased activity in business, adver-

tising of the sort considered will tend to show a like increase. The corollary to this, of course, is that in periods of decrease in activity, advertising will decrease. Conclusions of this sort, however, must be drawn with care and with due consideration for the limitations upon their validity. When human judgment becomes an important factor in the choice of data, errors are bound to occur. While the evidence supporting this conclusion is indicative, it is not conclusive and we therefore state the conclusion as an apparent tendency and not as a law. A just criticism might be that such a tendency is perhaps inherent in all advertising and not peculiar to the type in question. To determine this point definitely would require an analysis far more comprehensive than the present. A much larger sample would be necessary together with statistical measurement of factors tending to exert a qualifying influence. However, a consideration of the character of advertising expenditures and benefits may shed some light.

When an expenditure is made for advertising, a benefit is expected. The benefit may be immediate or deferred. When a merchant advertises a special sale in the local newspaper, he expects an immediate return. When a manufacturer advertises his product in a periodical of national circulation he expects the benefit to accrue at a somewhat later date and to cover a longer period of time. If he advertises a specific product which is on

the retailer's shelf, the lapse of time will be less than if he seeks to introduce and distribute a new and unknown product. Likewise, if he advertises a product for which the demand is indirect and which must go through an intervening stage of manufacture, the lapse of time will be greater. Once set in motion, however, the circular flow suggested will have some inertia. If the advertising or motive force is shut off temporarily he will continue to receive benefits for a time. In time of business inactivity, therefore, and the resulting reduction of expenditure, advertising may be the first to suffer. That is to say, past advertising may have been in the nature of laying away for a rainy day and when that day arrives the benefits are sought to be reaped. This applies more than ever, it would appear, to advertising for the purpose of creating general good will and particularly, in the case of manufacturers of fabricated parts, manufacturer and dealer influence.

On the other hand, it might be argued that when activity is slack, competition is more severe and advertising as a form of competition would increase. One reply would be that the prospective rewards are less and advertising would be less profitable. Probably of more significance is the fact that many concerns are not financially able to make the expenditure when cash benefits are not im-

mediate. Those more firmly entrenched, however, may be able to observe the long-time viewpoint and will continue a uniform policy. The dropping out of those less fortunate may account for the total decrease.

The logical conclusion on the basis of the above discussion would appear to be that the better the financial position of any concern, the more likely it will be to continue an advertising policy, profitable in the long run, in spite of unfavorable current conditions. A second conclusion is that the more immediate the benefit the more likely the policy to be continued. Thus we would say that probably the manufacturer of fabricated parts would show a greater inclination to curtail advertising expenditure in a time of inactive business than others, unless he were particularly well situated financially. There is probably little else to be gained from analysis of the tabulation as such.

Saturday Evening Post - 1927

Unit of Advertising - Page

Product	J	F	M	A	M	J	J	A	S	O	N	D	TOTALS
A.C. Products													0
Alemite Products							//	//	1				5
Auto-Lite									1		1		2
Bassick Casters										1/4	1/4		1/2
Bendix Products							1	1	1/2	//	1/2	1/2	6 1/2
Bohnalite Pistons							1	1	1	1	1	1	6
Briggs Bodies							1	1	1	1	1		5
Bristol Shafts													0
Bunting Bearings							1		1		1		3
Delco-Remy Prod.							1	1	2	//	//	//	13
Empire Bolts, Nuts, Riv.									1			1	2
Fafnir B.B. Shackles													0
Fisher Bodies							//	1	//	//	//	//	13
Gabriel Sh. Absorbers							2	2	2				6
Hercules Engines													0
Hershey Coin. Locks							1/4	1/4	1/4		1/4	1/4	1 3/4
Houdaille-Hershey Prod.													0
Houdaille Sh. Absorbers													0
Hyatt Bearings													0
Lynite Pistons & Rods										//	1		3
Monroe Hydraulic S.A.												1/2	1/2
Murray Coach Work							1	1	1	1	1	1	6
New Departure B.B.													0
Noelting Faultless Cas.										1/4	1/4	1/4	3/4
Northeast Equipment													0
Perfect Circle Piston R.													0
Pines Winterfront													0
Prentice Fasteners													0
Ross Steering Gear							1	1	1	1			4
Safety (& other glass) L.O.F.													0
Talon (or Hookless)							1/4	1/4	1/4	1/4	1/4	1/4	2
Ternstedt Fittings													0
Thompson Valves													0
Timken-Detroit Axles													0
Timken Roll. Bearings							//	1	//	//	//	//	15
Torrington Spokes													0
Watson Stabilators							1	1	2	1	1		7
Wingfoot Heels & Soles									1				1
Totals							19 3/4	15 1/2	23	17 1/4	15	12 1/2	103
Six Month Totals										10	3		

Saturday Evening Post - 1928

Unit of Advertising - Page

Product	J	F	M	A	M	J	J	A	S	O	N	D	TOTALS
A.C. Products	1							1					2
Alemite Products	11	11	11	1	1	11	11	11	11	11	11	11	23
Auto-Lite	1	1	1	1	1	1	1	1	1	1	1	1	6
Bassick Casters		1/4	1/4	1/4					1/4				1 1/4
Bendix Products	1	1/2	1/2	1	1/2	1/2	1	1/2	1/2	1	1/2	1/2	8
Bohnalite Pistons	1	1	11	1	1	1	2	1	1	1	1	1	14
Briggs Bodies	1												1
Bristol Shafts		1/4	1/4	1/4	1/4	1/4	1/4		1/4	1/4			3
Bunting Bearings		1/2	1/2	1/2	1/2	1/4	1/4	1/4	1/2	1/4	1/4	1/4	4
Delco-Remy Prod.	2	2	1	2	2	1	2		2	2	1	2	28
Empire Bolts, Nuts, Riv.													0
Fafnir B.B. Shackles							11	1		1	1/2	1/2	6
Fisher Bodies	11	11	11	11	11	11	11	11	11	11	11	11	26
Gabriel Sh. Absorbers	2			2	1								5
Hercules Engines													0
Hershey Coin. Locks	1/2	1/4	1/4	1/2	1/4	1/2	1/2		1/2	1/2			4 1/2
Houdaille-Hershey Prod.													0
Houdaille Sh. Absorbers													0
Hyatt Bearings							2	1	1	1			5
Lynite Pistons & Rods	1	1		1		1		1	1	1	1		8
Monroe Hydraulic Sh. A.	1/2	1/2	1/2	1/2	1/2	1/2	1/2						3 1/2
Murray Coach Work	11	1	1										4
New Departure B.B.													0
Noelting Faultless Cas.	1/4	1/4	1/4	1/4	1/4	1/4			1/4	1/4			2
Northeast Equipment													0
Perfect Circle Pis. Rings							1	1	1	1			4
Pines Winterfront													0
Prentice Fasteners													0
Ross Steering Gear	1	1	1		1	1	1	1	1	1	1	1	11
Safety (& other glass) L.O.F.													0
Talon (or Hookless)				1	1	1	1	11	1	1	1	1	10
Ternstedt Fittings		1	1	1	1		1	1	1	1	1	1	10
Thompson Valves													0
Timken-Detroit Axles							2	2	1		1		6
Timken Roll. Bearings	11	11	1	11	11	11	11	11	11	11	11	11	26
Torrington Spokes													0
Watson Stabilators	11	1	11				12	2	2	1			14
Wingfoot Heels and Soles				1				1	1	1			5
Totals	22 1/4	18 1/4	17	19 1/2	16 3/4	15 1/2	24 1/2	21 1/4	24 1/2	22 1/2	16 1/4	16 1/4	240 1/2
Six Month Totals		10	9 3/4				1	30 1/4					

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Product	J	F	M	A	M	J	J	A	S	O	N	D	TOTALS
A.C. Products				1					1				2
Alemite Products	//	1	///	1	//	1	//	//	1	//	//	///	22
Auto-Lite	1		1		1		1		1		1		6
Bassick Casters													0
Bendix Products	2	1/2		1	1	1	2	1	1	1	1	2	14 1/2
Bohnalite Pistons	//	//	1	//	1	//	1	//	//	//	1	1	19
Briggs Bodies													0
Bristol Shafts													0
Bunting Bearings	1/4	1/4	1/4	1/4	1/4	1/4		1/4	1/4	1/4	1/4	1/4	2 3/4
Delco-Remy Prod.	2			1	2	//	1	1	1	1	1	1	14
Empire Bolts, Nuts, & Riv.		1	1	1	1	1/2		1/4		1		1	6 3/4
Eafnir B. B. Shackles				1	1/2								1 1/2
Fisher Bodies	1	//	///	///	//	//	1	2	1	2	1		23
Gabriel Sh. Absorbers	2	2	2	2		1	1						10
Hercules Engines													0
Hershey Coincidental Locks													0
Houdaille-Hershey Prod.													0
Houdaille Sh. Absorbers				2	1	1	2	1	1	1	1		10
Hyatt Bearings	1	1	//	1		1		1		1			8
Lynite Pistons & Rods	1	1	1		1	1	1	1	1				8
Monroe Hydraulic Sh. A.						1	1/2	1/2	1/2		1/2		3
Murray Coach Work													0
Now Departure B.B.	//	//	///	//	//	//	//	///	//	//	//	//	26
Noelting Faultless Cas.				1/4	1/4	1/4		1/4	1/4	1/4			1 1/2
Northeast Equipment	1		1		1		1		1		1		6
Perfect Circle Pis. Rings	1	1	//	1	1	1	1	1	1	1	1	1	12
Pines Winterfront									1	1			2
Prentice Fasteners													0
Ross Steering Gear	1		1	1	1	1	1	1	1	1	1		10
Safety (& other) Glass, L&E													0
Talon (or Hookless)	1	1	1	1	1	1	1		2	//	2	2	15
Ternstedt Fittings	1	1	1	1	1	1		1	1		1		9
Thompson Valves	1	1	1	1	1	1	1		1	1	1		10
Timken-Detroit Axles	2	1	1			1			1			1	7
Timken Roll. Bearings	//	//	///	//	//	//	1	2	///	1	//	//	26
Torrington Spokes										1			1
Watson Stabilators													0
Wingfoot Heels & Soles			1	1	1			1	1	1			6
Totals	26 1/4	19 3/4	29 1/4	28 1/2	24	23	25 1/2	21	25	22 1/2	21	17 1/4	283
Six Month Totals		1	5	0	3/4			1	3	2	1/4		

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Unit of Advertising - Page

Product	J	F	M	A	M	J	J	A	S	O	N	D	TOTALS
A.C. Products						1							1
Alemite Products	//	//	//	//	1	1	//	//	1	1	1	//	19
Auto-Lite													0
Bassick Casters													0
Bendix Products	2	2		2									6
Bohnalite Pistons	1	1	1	1	1	1	1	1	1				9
Briggs Bodies													0
Bristol Shafts													0
Bunting Bearings	1/4	1/4	1/4										3/4
Delco-Remy	1			1	1	1							4
Empire Bolts, Nuts, & Riv.													0
Fafnir B.B. Shackles			1	1									2
Fisher Bodies	2	//	//	1	//	1	//	//	1	1	1	1	18
Gabriel Sh. Absorbers													0
Hercules Engines		1					1	1	1	1	1	1	7
Hershey Coincidental Rings													0
Houdaille-Hershey Prod.	2												2
Houdaille Sh. Absorbers		2	//	2		1							7
Hyatt Bearings													0
Lynite Pistons & Rods	2	1	1	1				1	1				7
Monroe Hydraulic Sh. A.	1												1
Murray Coach Work													0
New Departure B.B.	//	//	//	//	//	//	1	//	1	//	//	//	22
Noelting Faultless Gas.			1/4	1/4	1/4	1/4	1/4	1/4	1/4	1/4			2 1/4
Northeast Equipment													0
Perfect Circle Pis. Rings	1	1	1	1	1	1	1	1	1	1	1	1	11
Pines Winterfront	1									1	1	1	5
Prentice Fasteners										1	1	1	0
Ross Steering Gear	1				1	1		1					4
Safety (& other) Glass L.O.F.	1	1	1	1			//	//	//				11
Talon (or Hookless)	1	1	1	2	1	1			1		1	2	11
Ternstedt Fittings													0
Thompson Valves		1	1		1		1	1					5
Timken-Detroit Axles	1	1	1										3
Timken Roll. Bearings	//	//	//	//	//	//	//	//	//	//	//	//	25
Torrington Spokes	1												1
Watson Stabilators													0
Wingfoot Heels and Soles													0
Totals	24 1/4	20 1/4	17 1/2	19 1/4	14 1/4	12 1/4	14 1/4	16 1/4	15 1/4	9 1/4	6	18	184
Six Month Totals			1	0	8			7	6				

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Unit of Advertising - Page

Product	J	F	M	A	M	J	J	A	S	O	N	D	TOTALS
A.C. Products													0
Alomite Products	///	"	"	"	"	"	"	///	"	"	"	"	26
Auto-Lite													0
Bassick Casters													0
Bondix Products								2		1	2	1	6
Bohnalite Pistons													0
Briggs Bodies													0
Bristol Shafts													0
Bunting Bearings													0
Delco-Remy													0
Empire Bolts, Nuts, & Riv.													0
Fafnir B.B. Shackles													0
Fisher Bodies			1	1	1	1			1	1	2	1	11
Gabriel Sh. Absorbers								2	1				3
Hercules Coincidental Locks													0
Houdaille-Horshey Prod.													0
Houdaille Sh. Absorbers													0
Hyatt Bearings													0
Lynite Pistons & Rods				1		1			1				3
Monroe Hydraulic Sh. A.													0
Murray Coach Work													0
New Departure B.B.	///	1	1	1	1	1	1						9
Noelting Faultless Casters	1/4	1/4	3/4	1/4	1/4			1/4	1/4		1/4		2 1/4
Northeast Equipment													0
Perfect Circle Piston Rings	11	1	1	1	1	1	1	1	1	1	1	1	13
Pines Winterfront													0
Prentice Fasteners					1 1/2	1/4			1 1/2	1/4	1/4		2 3/4
Ross Steering Gear													0
Safety (Aether) Glass L.O.F.	1		1		1		1	1	1	1			8
Talon (or Hookless) Fas.	2		1		1	1				1			6
Ternstedt Fittings													0
Thompson Valves													0
Timken-Detroit Axles													0
Timken Roll. Bearings	11	1	1	1	1	1	1	1	1				10
Torrington Spokes													0
Watson Stabilators													0
Wingfoot Heels & Soles													0
Totals	15 1/4	5 1/4	8 1/2	8 1/4	10 3/4	7 1/2	9	10 1/4	7 3/4	7 1/2	8 1/4	7	100
Six Month Totals			5	4 1/4					4	5	3 1/4		

Analysis of Advertising on the Basis of Classification of Items.

It is the purpose now to analyze in detail, upon the basis of the classification of products suggested in section VI and appearing on the following pages (38 & 39), the advertising which has been previously tabulated and discussed in a more general way.

It will be evident upon some consideration that a classification on this basis is of value. While there is difficulty in drawing a hard and fast distinction by which items may be made to fall definitely in one or the other class, the factors which distinguish border line cases may be pointed out from time to time. We have in the first major group those items which are sold solely to manufacturers so far as the first actual physical transfer of ownership is concerned. Bendix four-wheel brakes constitute an example of such a product. Once installed as equipment, any demand for replacement or repair parts will of necessity accrue to the manufacturer without advertising. However, the need for such repairs will not have a beneficial effect, but that is beside the point. Take another example, Perfect Circle piston rings, and we find a slightly altered condition. While the major portion of sales may be for original equipment, there is a considerable market for replacement of piston rings and there is an opportunity for a standard quality pro-

duct to be replaced by one of a higher quality which has been established in the consumer mind by advertising. Thus we have a border line case.

Taking the second major group, we have items possessing potentialities which may result in their shifting after a time over into the first group. This may result from two different possible causes. Items of accessory equipment of one kind or another which are on probation, so to speak, with the public, when finally accepted as desirable standard equipment, will lose altogether their direct consumer market. The other factor is also a function of development and has to do both with consumer habits and mechanical improvement. Shock absorbers constitute a good example. This is a product which has apparently reached the stage of acceptance as standard equipment. So long, however, as many users continue to drive cars for a time greatly in excess of the average, there will be a replacement market which may be met by any one of a number of manufacturers. If, on the other hand, the product is sufficiently improved that it will continue in service for the useful life of the car, this market will evaporate. The same will be true if the tendency toward junking of old cars takes them off the road at an earlier date than at present. This brings to mind the suggestion that here is the point of entry for a product which is an innovation except as it must be incorporated in the product at the time it is first built. The progress, then,

Classification of Items Tabulated

A. Items, the demand for which is and probably will continue to be, indirect.

1. Those constituting a relatively insignificant part of the finished product.

a. Those apparent to the eye

Alemite systems
Auto-Lite systems
Delco Remy products
Hershey locks
Prentice fasteners
Talon (Hookless) fasteners
Ternstedt fittings
Torrington spokes
Wingfoot soles

b. Those not apparent to the eye

Auto-Lite systems
Bendix systems
Bunting bearings
Delco-Remy products
Empire bolts, nuts, and rivets
Hyatt bearings
New Departure ball bearings
Northeast equipment
Perfect Circle piston rings
Thompson valves
Timken roller bearings

2. Those constituting a relatively significant part of the finished product.

Briggs bodies
Fisher bodies
Murray coach work
Bristol shafts
Hercules engines
Timken Detroit axles

B. Items, the demand for which shows a tendency toward becoming entirely indirect.

1. Those constituting a relatively insignificant part of the finished product.

a. Apparent to the eye

A. C. products

Delco Remy products
 Fafnir ball bearing shackles
 Gabriel shock absorbers
 Houdaille shock absorbers
 Monroe hydraulic shock absorbers
 Pines Winterfront
 Watson Stabilators

b. Not apparent to the eye

A. C. products
 Bendix products
 Bohnalite pistons
 Delco-Remy products
 Houdaille-Hershey products
 Lynite pistons and rods

2. Those constituting a relatively significant part of the finished product.

Ross steering gear
 Safety-Glass

C. Items for which there is and will probably continue to be considerable direct demand.

A. C. products
 spark plugs
 oil filters
 Bassick casters
 Alemite service
 Noelting Faultless casters
 Perfect Circle piston rings
 Thompson valves
 Wingfoot heels and soles

is from accessory to standard equipment and there are items in the class at every stage of progress toward this end.

In the final or perhaps residual group are listed those items which have a market consisting of industrial users but which, in the very nature of things, will continue to be sold direct in considerable volume. This may conceivably be the most profitable market and in so far as this is true they should be considered as any other consumers' goods. An example is afforded by rubber heels. It is inconceivable that shoes will become so cheap or heels so sturdy that no replacement market will exist. If this be true, then consumer advertising is on substantially the same footing as that for any other similar article with no industrial or fabricating market. With these few suggestions in mind let us proceed to a closer study of the first major group.

A. Items, the demand for which is and probably will continue to be, indirect.

The particular characteristic which distinguishes the items falling within this class from those in the following two major classes is the fact that they are not readily interchangeable or replaceable with other or similar parts. By this it is not meant to imply that in all cases replacement or interchange would be impossible but that it does not readily take place and it is not often done nor considered desirable. This is probably due to several factors not the least of which is the inherent nature of the items with respect to the finished product which necessitates that they become an integral part of the whole. Take, for example, an ignition system incorporated in the mechanical structure of an automobile. It becomes so vital a part of the whole that it would hardly be desirable to replace it with another system even though this new system were vastly superior. This suggests the fact that since the nature of such items does not permit ready or desirable replacement, the manufacturer makes no provision for it to take place. This is a result both of custom and of the nature of the items. Contrast a complete ignition system with a storage battery which is readily replaceable. This brings us to another distinction. The items falling within this class

are such that their life corresponds roughly to the life of the whole and thus a replacement market, except for repair parts, does not exist. There are a few items included, however, for which some small replacement market exists; for example, valves, but their characteristics sufficiently identify them with this group that it was thought proper to include them.

The object of the above discussion is primarily to suggest that these items have and can have no direct consumer market and hence in so far as sales result from consumer advertising they presumably come about in an indirect manner. In other words, it might be said that the consumer who is influenced by advertising of these products must be first a prospect for the complete product and must be influenced to the extent that the incorporation of the part will be a factor in his selection in order that sales may result. It has been contended, however, that this type of advertising can have no such result.¹ We shall accordingly cast about for other possible sources of profit to be tapped by this

1. M. T. Copeland, Principles of Merchandising, Page 149. "When a fabricating material or part is incorporated integrally and inseparably in the finished product, the maker of the finished product ordinarily must assume the responsibility for the complete article; under these conditions there can be no dual responsibility and the manufacturer of the fabricating material or part has little opportunity for addressing aggressive sales appeals to consumers."

method.

It has been held above that for sales to result the consumer reached must be a prospective purchaser of the complete product. Is this necessarily true? Choltham Bold informs us¹ that every product has a "primary" market and a "secondary" market, the latter consisting of those who by some change in status may become prospective purchasers. Thus, such advertising may be building influence for the future but the terms of the citation given in the preceding paragraph such influence would be without a considerable value. However, in section IV was given an analysis which would indicate a benefit to be derived even though the consumer were merely led to recognize the part when mentioned. Let us see how this recognition might be reflected in sales. "Suppose a man wants to buy an automobile. He goes first to the agency of the car about which he has heard the best reports, in his judgment. Before he ever approaches the salesroom, he has formed a general idea as to which car, or which group of cars, is the best within his price so far as he is concerned. The idea helps the salesman to sell his auto, if it is the one he already likes, or hinders him if it is not the one the man likes."² What enters into

1. "Some light on the hazy subject of thin circulation." Sales Management, April 1924, P. 787

2. A. J. Snow, Psychology in Business Relations, A. W. Shaw & Company, 1925, Chapter VIII.

the consumer's opinion of the car? Perhaps he has read that it has a certain make of body and he sees this make of body advertised frequently. The same may be true of other parts. The salesman realizing this will point out these features to him. The manufacturer, knowing of the advertising of certain parts will mention them in his literature and every force thus brought to bear upon the prospect will react favorably on sales of the complete product and be reflected in increased sales of the part.

But are immediate sales the only possible objective?

¹
Reed makes this statement: "A large West Virginia manufacturer of steel spends about \$100,000 per year in national advertising without the desire to secure new business at all[but merely]to stabilize prices." This condition, however, would hardly apply to parts such as we are considering but it is a consideration well worth mentioning.

It is not the purpose to draw conclusions beforehand and it will therefore be well to proceed to a study of the first sub-classification of items, bearing in mind, meanwhile, the peculiar characteristics of the entire class brought out by the preceding discussion.

1. Vergil D. Reed, Planned Marketing, Ronald Press Company, P. 84.

1. Those items constituting a relatively insignificant part of the finished product.

It seems fairly evident that the distinction drawn between the relative significance of the part as compared with the total final product is a rather vital one. If we assume for the moment that consumer influence is the primary objective of advertising, neglecting the effect of advertising per se upon manufacturer and dealer, we should be led to this conclusion. The greater or the more vital the portion of the final product represented by the part, the more valuable would be the consumer influence created and the greater the return from it. More concretely, the question is: Assuming the same degree of customer preference for each, would not the make of body used have a greater conditioning effect upon the choice of an automobile than the type or brand of spokes used in the wheels? Let us take another example. The American Laundry Machinery Company advertises, "Send it to the laundry". This suggests another problem. Here the advertiser is primarily interested in selling his customer's product, laundry service, to the end that laundry equipment will require expansion and sales of his own product, laundry machinery, will result. But were he selling an item of small value, such as a minor attachment for the machinery used, would advertising of this nature be profitable? In the case first mentioned,

however, the object is not primarily to increase sales of the final product, although this has been attempted with profit.¹ It is to increase sales of units incorporating the part by increasing the number of manufacturers or portion of their product incorporating it.

The appeal overtly made is not, "buy an automobile", but, "buy an automobile equipped with Auto-Lite ignition".

So far as the consumer is concerned, the important consideration concerns the extent to which his choice is conditioned by his opinion of the part. This in turn would appear to be a function of its significance as a part of the whole or final product.

It has been suggested, however, that positive consumer action may not be required in order that profit will accrue to the advertiser of fabricated parts. So long as there is consumer recognition of the part it seems likely that the prestige of the complete product will be enhanced. This will result in its indorsement by manufacturer and dealer and decreased sales resistance for the manufacturer of the part. It may not be re-

1. Editorial, "Accessory Makers Can Advertise the Finished Product." Printer's Ink, CXI, June 10 (1920). It is pointed out that the Seng Company, manufacturers of metal frames for the headboard and footboard of wooden beds, successfully bolstered up their market by advertising the advantages wooden beds to the public.

quired that there be consumer recognition so long as the manufacturer and dealer believe that it exists or have faith in the ultimate ability of advertising to produce such effect. But even here the extent to which the desired effects are produced in the minds of manufacturer and dealer would appear to be a function of the significance of the part as related to the finished product. On the other hand, some benefit might be expected in spite of its insignificance. This benefit has been characterized as follows:

When the salesman for a well advertised product sends in his card to a prospect, he is usually welcomed as the representative of a favorably known company. Once admitted into the office of his prospect, the salesman does not need to waste his valuable time selling his company. He can spend the time selling the product.¹

This was applied to the marketing of industrial goods in general but may quite validly be applied specifically here to fabricated parts.

The problem just discussed requires the consideration of another to which Copeland² refers when he says: "The

1. E. L. Rhoades, Introductory Readings in Marketing, A. W. Shaw and Company, 1927, P. 217.

2. M. T. Copeland, Principles of Merchandising, A. W. Shaw and Company, 1927, P. 148.

efforts of producers of fabricating materials and parts to perpetuate the identity of their products have resulted in interesting problems of dual trademarks." By this, of course, he means the situation which arises when a product carrying a brand or trademark has incorporated in it, a part which it is sought to establish by advertising or other means in the consumer's mind. But this problem will be best considered as we analyze the following sub-groups.

2. Those apparent to the eye.

There are two fairly obvious reasons for drawing a distinction between parts apparent to the eye after becoming a part of the final product and those which are not thus apparent. The first concerns the problem of dual trademarks just mentioned. A trademark has been defined as "a sign, word or phrase which connotes the commercial responsibility for an article,"¹ and further, "If an article is to be advertised, it should be trademarked."² It is apparent that if advertising is to be carried on for the purpose of influencing the consumer, some means must be provided by which he may recognize the advertised article when he sees it and by which he may know

1. & 2. M. T. Copeland, "Trademark Usage in Industrial Marketing", Advertising and Selling, April 18, 1928, P. 30.

when he is getting it. If such means of identification is not provided, the way is left open for deceit. But if the part advertised is hidden in the product it cannot readily be identified. Of what value then is advertising? Some method of identification must necessarily be found. The means of obviating the difficulty inherent in certain fabricated parts will, accordingly, be discussed in connection with these parts.

The real problem of dual-trademarks concerns the relative effect upon the consumer of the appeals made by the manufacturer of the part and by the manufacturer of the completed product. These effects will be reflected in consumer recognition, preference, or demand for articles bearing the trademarks of particular manufacturers. But granting that each is equally strong, will the one referring to the part be equally effective in influencing any particular choice as that referring to the whole product? This is in fact the same problem which was discussed in connection with significance of the part as regards the whole but is mentioned here as it applies to the means by which consumer demand once created is kept in the desired channels, namely, the trademark.

The second reason referred to above is related to the possible consumer appeals which may be made. Quite evidently, a hidden part cannot be made the subject of appeal to the desire for style, beauty, luxury, or any of those desires having to do fundamentally with the outward aspects of the finished product. One, therefore, which does not contribute to efficiency, dependability, economy, or other enhancement of physical as contrasted with psychic satisfaction in use, does not lend itself readily to advertising to the consumer.

We come now to a consideration of the particular items characterized as "apparent to the eye". Those first considered are apparent to the eye in a complete physical sense as compared with those partly hidden but identifiable by observation. This group includes the following: Alemite systems, Prentice fasteners, Talon (Hookless) fasteners, Ternstedt fittings, Torrington spokes, Wingfoot soles.

In the Alemite lubricating system we have a product familiar to those of the motoring public today. It is readily identifiable by inspection but unlike many such products it does not lend itself to appearance appeal. This is an article that followed the path previously indicated from accessory to standard equipment. Competition today is with other similar pressure systems for

a place as such equipment rather than as a replacement for the antiquated grease cup equipment which held sway at the time of its introduction. At its inception, Alemite advertising was directed toward establishing the supremacy of a high pressure system of chassis lubrication. Today the problem is to establish Alemite as the best of these systems now competing for the market. At the beginning of the period of this survey the former motive was probably the dominant one. We get its flavor from the following phrase: "how to evade the biggest motor tax".

Examining the record of advertising we find 98 pages of space used in The Saturday Evening Post alone from July 1927 to March 1932. This is spread fairly evenly over the period and testifies to the continued profitability of advertising although it is not conclusive proof of it. During the early part of the period it was the evident intention to get over to the consumer the notion of the economy of such a lubricating system. The elimination of "80% of repair bills" is a frequent contention but even at first the name "Alemite" and the sign designating service stations was given full publicity. It is conceivable that this was with the present time in mind when authorized service and alemite lubricants of various kinds constitutes a considerable part

of the potential market. Increasingly more space has been given to this service. The time to change from summer to winter and from winter to summer gear lubricants is indicated by full pages in spring and fall. Increasing stress is laid upon the efficiency of specialized and scientific lubrication service. This shift in the particular group of products featured in advertising would lead to the conclusion that the period of its greatest usefulness so far as the system itself is concerned, was that of its introduction. Now that it has been established, however, a group of interacting influences exists and advertising is utilized as a vital factor in keeping these influences alive. More definitely, advertising leads to use of the service provided the car is properly equipped and the equipment suggests utilization of the service. The wide recognition of all the products is an important factor in approaching the automobile manufacturer who does not install this particular system. While not constituting a significant part of the final product, Alemite products are significant in this respect, that they have considerable bearing upon the useful and efficient life of the car. At least such is the contention, and the effect of consumer influence is thus enhanced.

Examining next the two fastening devices, Prentice and Talon, we find in the first an attempt to enter a field

rather completely dominated by another manufacturer of a similar item. So far as appearance is concerned it is difficult to distinguish between the two except for the trademark, but Talon claims the distinction of being the original and is certainly the leader in the field. The former may therefore be dismissed with the remark that its advertising apparently was not particularly fruitful. It consisted of but two and three-fourths pages and occurred intermittently only in one year while Talon has registered an increase from year to year over the entire period surveyed.

This is a product lending itself primarily to utility and convenience appeals although recently the possible style features have been adroitly exploited with evident success. Its increased use on women's clothing testifies to this fact. An interesting review of the history of this company appeared at the time of inception of its advertising campaign.¹ The fastenor was invented about 1893 to replace the wide variety of fasteners used and had its principal market for use in the back-vent of women's dresses. During the war new uses were found and later others were sought. The "Locktite" tobacco pouch became quite popular but the greatest impetus came with the adoption by the Goodrich

1. "A Thirty-three Year Old Product Starts Advertising", Printer's Ink, April 15, 1926, P. 10.

Rubber Company for use on "Zippers". Incidentally, this term was so appropriate that in common usage it has come to apply to the fastener itself and "zip" has since been incorporated into many tradenames. The growing popularity and wide adaptability of the fastener has led to many imitations but Talon apparently still dominates the market. This is no doubt due in large part to an aggressive advertising program and an equally aggressive search for new uses.

The advertising tabulated shows a total of forty-eight pages from July 1927 to March 1932 with 1929 as the peak year. The continued use is taken as evidence of its profitableness. As it was indicated, the original appeal was utility or convenience with a more recent shift to style. The early copy featured a particular article in each insertion. In addition to the featured article, later ads displayed cuts of numerous others equipped with Talon fasteners. At first the name "Hookless" was used, but it was later replaced by "Talon" (1928) which continues to the present time. The name is always displayed prominently apparently in an effort to establish the identity of the fastener apart from the product upon which it appears.

Probably the greatest factor in the apparent success of advertising of this product is its wide adaptability. In the advertising surveyed the suggested uses

varied from shirt collars to boots, and from duffel bags to ladies' purses, with all sorts of luggage, golf equipment, sport and work clothing, instrument cases, and athletic equipment in between. The device is convenient and dependable and its very ingenuity gives it an appeal in itself. The apparent insignificance may therefore be off-set by these features combined with style so that it constitutes a moving force upon the consumer as he makes his choice.

We next consider automobile body "Fittings by Ternstedt" consisting of door handles, window and windshield lifts, robe racks, dome lights, vanity cases, smoking cases, etc. This is a product lending itself to advertising by its qualities of beauty of design, beauty and life of finish and durability in use. As compared with the product of which it becomes a part, it appears truly insignificant in importance. It is scarcely conceivable that such an item could influence the customer's choice in deciding upon a purchase in spite of the fact that it is advertisable by its qualities and identifiable by nature. Reference to the record of advertising shows a total of nineteen pages distributed uniformly through 1928 and 1929. The appeals consist of those mentioned above with an additional attempt consistently carried out to create an atmosphere of luxury. In this respect the advertising is similar to

that of Fisher bodies familiar to everyone.

Assuming the product to be marketed at the present time in profitable quantities, the conclusion seems reasonable that here is a case where advertising was used to advantage in establishing a product. This objective accomplished, it was then abandoned as having served its purpose. This may quite conceivably have come about through the channels referred to previously; manufacturer and dealer influence. If this be true, it is not essential that even so much as universal consumer recognition have been established. Such recognition might quite easily have come about, however, considering the extent of the advertising carried on.

Torrington wire spokes for automobile wheels constitute another item markedly insignificant as compared with the complete product. It is essential that wheels give satisfactory service, of course, but little complaint arises with respect to this unit. There appears, therefore, little justification for the belief that this item could be profitably advertised to the public although it unquestionably possesses desirable characteristics. These consist of finer and more uniform adjustment due to the use of a "nipple" and increased tensile strength, hardness and flexibility of steel due to "swaging". The product is therefore identifiable but does not possess the potentialities of a vital advertising appeal. The

situation was evidently sensed at an early date for only two pages of advertising appeared, one in 1929 and one in 1930. This, of course, was insufficient to create either manufacturer or consumer influence.

We digress here for a moment to discuss a general principle suggested by this product. Torrington advertises a spoke attached to the "drop-center" rim by means of a "nipple", but engineers dictate a spoke electrically welded to the rim except for the higher priced cars. This is no doubt because of the greater production economy possible. The tendency toward the latter method is marked and because of the insignificance so far as the consumer is concerned, he is inclined to accept it without question if even so much as aware of it. The above tendency offers another obstacle to the advertising of such spokes as Torrington. Other similar instances have been noted and will be referred to later and a generalization may probably, therefore, validly be drawn.

It is evident that a product depending for demand upon a condition running directly counter to a general tendency conditioning the development of a certain trade cannot hope to meet with much success in advertising. It is difficult to say how far advertising of a particular product can go in altering such a tendency. It is surely patent that the relative scope of the demand

for the product and the scope of the tendency in question would have an important bearing upon the profitableness of such an attempt. In any event a wiser course would no doubt be to study the trend carefully and where at all possible, alter the product or branch out into another line. A direct departure from the past line of manufacture in order to conform to the trend but capitalizing the good will previously established in the trade has been proven possible. A striking example of this sort of thing¹ is afforded by the "Hartley Company," a Harvard case study. Here a manufacturer of steel umbrella frames, which were advertised to the public, found its market entirely dissipated by the change in style which dictated the use of frames of different materials. Advertising was not adequate to combat the trend.

Goodyear Wingfoot soles are now to be considered apart from Goodyear rubber heels which more appropriately come within the second major group, as having considerable replacement market. The product is readily identifiable in the completed article and lends itself well to advertising by its qualities, toughness or durability, and resulting economy in use.

1. Commentary by N. H. B., Hartley Company, Harvard Business Reports, Vol. 6, P. 465.

In addition it is water proof and provides also a desirable cushioning effect. There was, accordingly, an attempt to exploit these qualities in the advertising surveyed, by featuring its use by the school boy and laborer. This expression appears, "The toughest soles for the toughest service". An appeal is made to mothers, offering Wingfoot soles as a solution to their children's shoe problem. Here is a fabricated part which would appear to lend itself admirably to consumer advertising. Let us examine the record.

The table covers advertising of both soles and heels and this must be segregated. Four pages appeared in 1928 featuring soles exclusively and one in 1929 combining soles and heels. This has all the earmarks of abandonment of the advertising program. Supposing it to have proved unprofitable, what might the reasons be? The potential market would appear to be quite extensive but there are numerous types of composition products competing for it. This competition is sufficient to keep the consumer market alive so that efforts in this direction might easily be wasted by a particular concern. So far as the manufacturer and dealer are concerned, it might have been felt that the good will and prestige established by the company over a long period of years constituted sufficient entree. Advertising of Wingfoot heels, having a wide replacement market, serves to sufficiently identify the company

with the footwear trade. Altogether there is considerable argument to the effect that soles might be profitably marketed without the aid of consumer advertising.

This brings us to those items largely hidden, but yet identifiable by observation and thus coming within the group, consisting of Auto-Lite ignition system, Delco-Remy ignition system and other products, and Hershey coincidental steering and ignition lock. Being identifiable there is no difficulty in the way of advertising on this score. The means of identification, of course, consists of the tradename which appears on the visible parts such as ammeters and other instruments installed on the dash-panel, generators, distributors, etc. Such items, however, being strictly mechanical in nature, lend themselves solely to the more rational appeals previously mentioned.

Let us turn to a consideration of the advertising which has appeared. That for Auto-Lite consisted of two pages in the latter half of 1927, and six pages each in 1928 and 1929 evenly distributed. None has appeared subsequently. The central feature of this advertising is a cut of the starter-button or starting switch with the driver's foot being applied. Dependability and universality of use is stressed through the medium of such expressions; "Tested", "A million times a day", and "Leadership". The vital and essential nature is emphasized

by: "Beautiful and useless until--- your foot upon the Auto-Lite gives it life", and, "Far more than an accessory". This is an example of an old and well established fabricated part making use of consumer advertising. The program, however, is not particularly aggressive in nature, but appears more as an attempt to establish general good will and prestige. Such a program might quite conceivably be utilized successfully to maintain sales and strengthen manufacturer connections through the channels previously suggested. That a definite benefit could be traced directly to it, however, is doubtful and its abandonment in a time of stress in the automotive industry is eloquent testimony to the validity of this conclusion.

The advertising of Delco-Remy products presents a slightly different picture. The particular advertisements recorded must be divided into two groups since a part of them featured a single product, Lovejoy shock absorbers, exclusively. For present purposes the record is as follows: four pages in the latter half of 1927, twelve pages in 1928, and three pages in 1929. The general plan seems similar to that of Auto-Lite with one exception. The company has a wider range of products and for this reason the presence of the name before the public may result in greater benefit. This is because of the fact more channels in the form of products for sale, exist for the return of this benefit to the com-

pany. In addition, many of these products have a direct market. The exception noted is accordingly that when a new product is introduced or an old one improved, it is featured in the advertising. Examples of this consist of two page spreads in 1928 featuring successively the dual lock for ignition and transmission, electric windshield wiper, and a single page featuring Klaxon horns. The trade name is prominently displayed in all cases, and small cuts of other products appear. Thus goodwill established may carry over from one product to another.¹ The apparent abandonment following 1929 may accordingly be only apparent for Lovejoy shock absorbers continue to be advertised extensively. Ostensibly, the principal objective is the direct market, but additional consumer influence might be expected. In the absence of the direct market, it is open to question whether advertising would have been continued. If it were to be confined to those items having solely an indirect market, it is not unlikely that advertising would have been abandoned.

Turning now to Hershey Coincidental locks we find a product with no direct consumer market whatever and with

1. "Hyatt's Well Rounded Industrial Advertising Program", as told to Franklin S. Clark by H. O. K. Meister. (Sales Management, Vol. 18, May 11, 1929, P. 290). It is here contended that the family style advertising program results in a carry-over of the association from one product to another. Quality is of course necessary to keep manufacturer and user sold.

but one consumer appeal; safety and property. The product should be quite familiar to those experienced with several popular makes of automobile. The lock appears at the side of the steering column and a turn of the key locks ignition and steering. The safety appeal is the basis of all advertising and is stressed by such expressions as: "How long will it be yours?" and "Guardian of \$2,000,000,000". The advertising was confined to 1927 and 1928 and consisted of one and three-fourths pages in the former year and four and one-half pages in the latter. One and two columns were utilized at each insertion and the advertising was spread rather evenly throughout the period. It is conceivable that the desired results in the way of introduction of the product were accomplished by this program. On the basis of observation, however, it would appear that the product is no longer marketed. This may be accounted for by changing trends in the industry which demand a different type of lock or combination of locks. At one time it was, no doubt, successfully marketed and we may attribute to advertising some share in this success. It is rather insignificant, however, as compared with the entire product. This fact together with the possibility of counter-development in the trade would definitely limit the profitableness of its further advertising.

b. Those not apparent to the eye.

In this group are found the products having for the most part no direct consumer market and yielding themselves in addition to limited consumer appeals. Their nature precludes any attempt to establish buying motives on the basis of appearance or style in the final product. This limitation, however, may not be as serious as at first seems evident. Any product which depends upon the whims of fashion for a demand is apt to be frequently disappointed in the turn which the market takes. When the circle is finally completed from advertising through consumer recognition, preference, and demand, dealer demand, and manufacturer demand for the part advertised, much time may have elapsed. By this time, the whims of the public may have changed. Consistent effort over a long period of years may result in establishment of prestige by the manufacturer of a material or part, but such cases are rare.

¹
"Vici" Kid is a striking example. It is more common

1. "Can Sales and Advertising Strategy Keep a Style Product Always in Fashion?" Sales Management, VII, 1926, P. 275. Two reasons why business generally has had an interest in "Vici" Kid:

(a) "Because Vici Kid is a material used in manufacturing another product. Its identity so far as its trademark is concerned, becomes easily lost in the process. Such products are regarded as difficult to advertise to the consuming public.

(b) "Because Vici Kid is subject to the powerful influences of fashion. If fashion favors a product, it is regarded as just as strong a selling force as advertising. When fashion is selling an article, (next page)

that the manufacturer must follow rather than lead.

We cannot deny, however, that the ability of the customer to see and touch the article advertised is valuable in advertising it. The articles in the class to be considered now do not have these characteristics. Once incorporated in the finished product they represent intangible values so far as the consumer is concerned and must be advertised as such. But this very fact permits a concern to pursue a more stable policy of production and advertising. This we must have already decided is essential if the advertiser be a manufacturer of fabricated parts. The appeals utilized must, therefore, be of a rational nature such as satisfaction, greater economy, greater efficiency in use. In order that a reputation for such qualities once established, be maintained, the manufacturer must keep abreast of the times or perhaps a step in advance. He must constantly test and improve his product and anticipate any fundamental change in the industry.

It has been held that an article to be advertised must be identifiable in the hands of the consumer. This would appear impossible in the case of the items now to be considered. This applies solely to the consumer but

advertising is often regarded as unnecessary. If fashion is not leaning toward a product, advertising is frequently regarded as futile."

so far as the manufacturer of the final product is concerned it does not have such great weight. Copeland,¹ in discussing industrial advertising holds that a prime motive is to acquaint operating executives and plant engineers with the peculiar characteristics of a product. Might not this hold as well when advertising is ostensibly to influence the manufacturer? If he is to be convinced, on the other hand, that the part will have a sales appeal in the final product, identification again becomes important. The difficulty has been surmounted by various means which will be discussed in connection with each product as it is taken up. We proceed now to a closer study of these individual products.

Auto-Lite and Delco-Remy products need not be touched upon here since they were discussed at length above. They were included in this group, however, to indicate that in the sense of being more or less an integral part of the mechanism and not wholly apparent, they should be so classified. In the sense of being identifiable by inspection they were properly discussed in the previous group.

1. M. T. Copeland, "Determining Objectives in Industrial Advertising". (Advertising and Selling, June 13, 1928, P. 30)

Advertising of Bendix products offers an interesting study. A product dominating the market exclusively so far as the writer is aware, Eclipse Bendix drive alone was advertised during the early part of the period studied. This is the device consisting of a sleeve, spring, and pinion which engages the automobile fly-wheel teeth when the starter switch is pressed. The name in common usage is "Bendix". There is no possibility of market expansion and the only replacement market consists of repair. It is not replaceable except with an identical part. Two possible objectives occur at once. Patent rights may be about to expire and it is sought to become entrenched to better control competition. Competition may be feared in the form of a device, different but serving the same purpose. The advertising record suggests a still further and more plausible possibility. In 1927, three and one-half pages were utilized by Bendix drive exclusively. Three pages were devoted to Bendix four-wheel brakes. The former consisted of from one-half to a full page in size while the latter were full page. In 1928, one page featured the two products and seven and one-half were devoted to Bendix drive. In 1929 the two products were advertised together except for several half pages featuring the drive. Late in the year a two-page advertisement listed fifteen affiliated corporations and a number of products. The advertising continued through

1930 and 1931 with now one product and now another featured but usually mentioning all. Prominent among the later introductions are airplane products, ignition, brake testing device, air motor starter, automatic clutch control, free-wheeling, and brake-booster.

The significant feature of the Bendix drive advertising is the absence of any direct attempt to make sales. The sole object appears to be the placing of the name consistently before the public and the identification of the product to which the name attaches. The lack of knowledge on the part of most people of the existence of the product testifies to its quality. It is a vital part and defects would draw attention to it. The strategy employed seems evident. It is attempted to carry over to new products, the conviction of quality through the medium of the name.

That the objects apparently sought have been in a measure accomplished is evidenced by the continuation of advertising. The increasing use of Bendix products in automobile manufacture is further testimony. Thus it may well be that a product is advertised with no thought primarily of increasing its sales. In this case the advertising has no doubt had some influence upon manufacturers since Bendix products are frequently mentioned in motor car specifications. Since this is true, actual consumer recognition is not required.

We turn now to a discussion of Bunting phosphor bronze bushing bearings and the suggestion of a principle only hinted at previously. This is a product of a rather commonplace nature entering into the manufacture of a wide variety of articles. It would hardly be thought to lend itself readily to advertising. If advertised, moreover, the appeal would necessarily be limited to that of quality or enhanced performance of the complete product. The breadth of the market is perhaps the only claim to profitableness in advertising. Although broad, the market is, however, quite thin in that potential customers are limited to manufactures of machinery of one kind or another. This last is true of all the products discussed here but the market for this is broader than for most. It is not limited to a single industry such as those products constituting a part of automobiles solely.

The distinguishing characteristic of the advertising which has appeared lies in the fact that it is openly addressed to manufacturers almost exclusively. This is exemplified in the query, "Do you build a machine?" The emphasis upon quality is brought out by such statements as: "The Invisible Differences," "The Heart of a Good Machine," "For 'Extraordinary Requirements.'" Great stress is laid upon the expert bearing knowledge made available to manufacturers through Bunting consultation service. Mention is also made of standardization of

sizes and shapes with complete stocks at convenient points to further enhance service to customers. Thus the manufacturer is addressed directly throughout with apparent disregard of the ultimate consumer. What might be the strategy of this sort of program? The secret probably lies in the breadth of the market. In the case of other products discussed such as ignition systems, fasteners, and soles, there was an evident attempt to give the fabricated part some definite appeal in the finished product. The possibility of such an appeal exists in the case of Bunting bearings but probably to a lesser degree. In order to create the appeal the customer must be addressed directly. Such manufacturer influence as can be captured is apparently of secondary consideration. It can be depended upon as growing out of the advertising as used if it were to result at all. In the present case, and this is perhaps typical of the entire bearing group, the manufacturer is addressed for very definite reasons. Although the market is thin, it can probably best be covered completely by a periodical of general circulation. To reach substantially all those whose influence is essential would require the use of a vast number of trade papers. By a medium of wide general circulation, the same message can be conveyed as in the present case at much less expense. Where a single industry is concerned, a few such trade publications will serve the purpose but not here. A further point is sometimes suggested. Trade

papers reach the executive usually at his office and are as a rule scanned hastily. Moreover, his resistance to suggestion is at a high point under such circumstances. In the quiet of his home while leisurely thumbing through a current magazine, on the other hand, the suggestion may enter unobtrusively and leave its impression.

Another factor in the present case may have a bearing upon the determination to advertise and the continuance of the policy. The three additional bearing manufacturers whose products are listed in this group have pursued for some time an aggressive advertising policy. A portion of their effort has been, of course, in the nature of competition between themselves. Taken together the result has surely been to invade the market held by manufacturers of bronze and babbitt bearings where substitutions were possible. Thus in self-defense, retaliatory measures must have seemed imperative to those manufacturers. In the present case retaliation assumed the form of national advertising.

Let us examine the record of this advertising. Three full pages appeared in 1927 (last half), four in 1928 consisting of one-half and one-fourth pages, two and three-fourths in 1930 after which no more appeared. How may we account for the cessation? There is the unprofitableness solution but it is not likely that such a length of time would be

required for determination. It is possible that sufficient manufacturer connections were established to assure adequate sales and it was felt these connections might be more economically maintained otherwise. A further explanation is offered. In the present recession in business activity, manufacturers of producers' goods have sustained the greater decrease. With the exception of the automobile industry, the machinery market is mostly industrial. Thus the market for bearings entering into such producers' goods has largely disappeared. In the face of such conditions it may have been thought wise to withhold advertising expenditures until the prospect of rewards became brighter.

The products next to be considered, Empire bolts, nuts, and rivets, are somewhat similar in nature to the one just discussed. The products thus lend themselves to the same type of advertising in-as-much as the scope of the market is probably identical. The character of the advertising utilized is indicated by the following: "A Remarkable Piece of Steel," "Standard of the World," "Handmaids of Invention," "The World is held together with bolts, nuts, and rivets." The importance of little things is mentioned and stress laid upon uniformity, accuracy, and tensile strength of the products. The long period of service to industry is indicated by the phrase, "84 years of keeping faith." Thus the general plan is similar to that of Bunting bearings except

that the manufacturer is not so openly addressed. It is evident that little could be expected from consumer influence in the case of parts of so little significance compared with the whole. If such parts are to be advertised, therefore, manufacturer influence should surely be the target. Any benefit secured should be expected from this quarter. Low unit value, however, would impose a definite limit upon the profitableness of advertising not present to such a marked degree in the former case.

The advertising record shows two pages in 1927 (last half), none in 1928, six and three-fourths in 1929, and none following that year. Substantially the same conclusions may be drawn in the present case as in the former with a few exceptions. The lack of consistency and continuity up to the time of cessation offers less evidence that the policy has been proved profitable at any time. In addition the price element introduces a factor which makes it doubtful if it can be profitably pursued.

The same considerations discussed in the case of Bunting bearings will apply in general to all bearings. They will be taken up individually, however, in order to examine any peculiar characteristics which appear. Hyatt first claims our attention. The records show five pages of advertising in the latter part of 1928, eight pages distributed through 1929, and none following that year.

The distinguishing characteristic of this advertising is that it relates almost exclusively to use of Hyatt bearings by railroads. The atmosphere created is that of passenger comfort exemplified by: "Hyatt ways are comfort ways," "Hyatt-Quiet----for the benefit of those who have retired." Fast trains or interior scenes are usually displayed. In some instances particular nationally known trains equipped with Hyatt Bearings are featured. In 1929 one advertisement featured the use of Hyatt Bearing on farm machinery with the phrase: "Farm Relief" - displayed. Another featured industrial use and a carry-over from previous railroad advertising was attempted by the following: "The highways of production are also Hyattways." The attempt which is made is evidently to establish consumer recognition and influence with perhaps incidental benefits. Such recognition will in some measure benefit the railroad users of Hyatt bearings if the reputation of superiority is established. The attempt of any road to build goodwill through its service will be aided by its use of Hyatt bearings provided they are accepted by the public as indicative of thoughtful service. It seems unlikely, however, that such a narrow market would prove adequate justification for a large advertising expenditure. Accordingly, reference is here made to a recent explanation coming direct from the company in question.

The explanation of Hyatt's policy as told by H. O. K.

Meister, General Sales Manager, follows in brief.

Hyatt bearings can stand on their own merit but are usually associated with another manufacturer's product. The market is thin. The ultimate users are more numerous and to win and hold their recognition, prestige must be established.

Advertising mediums used consist of farm, national, and trade papers; sales and engineering literature, direct mail; general advertising such as Saturday Evening Post in the nature of "topping-off" or "prestige building."

An example of the strategy of the general type of advertising is offered. A manufacturer of road machinery sees the line; "The train that runs on Hyatt's is the train that you should ride." The appeal is to him as a traveler but the suggestion occurs, if Hyatt's are found superior for railroad use, surely they would serve equally well in a shovel or mixer. This appeal may exert greater force than that of a trade paper.

The strategy of such a policy is apparent. Being as stated, a "topping-off" element in the complete program, it could probably be dispense with most readily at the time the market was contracted. Thus no particular importance need be attached to its discontinuance after 1929.

We have next for consideration, bearings of a slightly different type from those just discussed. New Departure ball bearings, while different from Hyatt's which are roller bearings, will probably bring out no new principles. The scope of the market may be somewhat narrower and at least somewhat different in nature. For example, balls are probably not adaptable for use on heavy equipment

such as railroad coaches and farm machinery. On the other hand, rollers are seldom found on the more delicate types of machinery such as bicycles or small generators and motors. On the whole, it may reasonably be concluded that the scope of the market does not vary widely although it differs considerably in nature. The difference is probably not sufficient to involve any new principles.

An examination of the advertising for this product which has appeared reveals twenty-six pages in 1929, twenty-two pages in 1930, and nine pages in 1931. The general nature and appearance of the advertising is similar throughout. The slogan "Nothing Rolls Like a Ball", is displayed prominently in each. The thesis of the entire program is quite appropriately the elimination of friction as a means to longer life and greater economy in the operation of machinery. The primary appeal appears to be to the users of automobiles with an attempt to establish the desirability of owning a car equipped with New Departure bearings. Their use at various points in automobile construction is featured from time to time. It would be well to mention at this point that perhaps the three manufacturers of bearings, other than Bunting, are not directly in competition for all possible uses. There are certain points in automobile construction such as the transmission where ball bearings may be better adapted.

On the other hand, Timken or Hyatt bearings may be more efficient at points of greater strain such as the rear axle. Thus the tendency will be for each manufacturer to push his advantage to the utmost. There are limits to adaptability, however, which means that one cannot likely displace the others entirely. The result will be that the use of such bearings generally will be pushed to a maximum in industry.

New Departure is placed at a slight disadvantage in one respect. Both Hyatt and Timken bearings are used to some extent on railroad coaches and this use is featured which has some advertising value in itself, as previously suggested. The bearing boxes so used are stamped plainly with the manufacturer's name and the public may thus identify the name with quiet and comfortable travel. Whether this is of any substantial benefit, however, is problematical. In the case of New Departure, identification with the complete product in the case of automobiles is attempted by means of published lists of users in connection with the advertising. The decline in the use of advertising in the present case may not have a great deal of significance for the reasons pointed out in the discussion of Hyatt bearings. Supposing such advertising to be in the nature of "topping-off", it would necessarily be the first to be amputated when the necessity for curtailed expenditures arose. As was suggested in the case of Bunting

bearings, however, the economy in reaching the entire primary market should be a consideration. But when the potentialities of the market decline, the expenditure may not be felt justified.

Northeast equipment, because of its similarity to Auto-Lite and Delco-Remy systems previously discussed, will require little consideration. The chief difference lies in that Northeast consists of isolated items while the other two mentioned consist of complete systems installed as a unit. The former consists of such items as starting motors, generators, ignition parts, horns, speedometers, and others. The market is, of course, confined to the automobile field and is entirely indirect except for replacement of original equipment. Probably the greatest barrier to the expansion of the market in this case lies in the late period of the development of the industry. Here is a concern apparently attempting to invade the field by the advertising route when it is substantially dominated by others. In such cases, an aggressive campaign is required, equal at least to those of the manufacturers already intrenched by means of advertising.

The advertising consists of six pages in 1929. The apparent intent is merely to show the presence of the items in the final product. Assuming it is purposed to establish

the identity of the line in the minds of consumers, the campaign is lacking in extent and aggressiveness. It is possible, however, that sales are made to those who make up complete systems. In this case it would appear the consumer exercises so remote an influence that advertising of this nature would prove futile.

Perfect Circle piston rings offer a peculiar problem. They are expensive, high quality, oil control rings and are advertised ostensibly for the purpose of securing a specific replacement market. It seems evident, however, that there is considerable interaction between the direct and indirect markets in this case. Statements are made from time to time, apparently for the purpose of prestige building, regarding the proportion of motor car manufacturers equipping their product with Perfect Circles. The situation may perhaps be analagous to that of tire manufacturers who rely upon original equipment to supply the market for the major portion of their product. This is a low margin market, however, and the profitable portion consists of replacement. It is necessary in such cases to maintain the latter market by advertising and other efforts in order that the original equipment market may be retained. Obviously, manufacturers would not care to equip their products with unrecognized parts where they are identifiable. In the present case, however, identification of original equip-

ment is impossible and even if possible, the insignificance of the item would render it ineffective of great influence. But the inherent qualities of an effective oil control ring are such that some appeal exists.

To analyze the possible effects of advertising, if it results in replacement sales and satisfactory experience, the identity of the product becomes favorably established. The replacement sales offer proof to the manufacturers of the finished product, of the efficiency of the rings. This in itself is an inducement for him to incorporate them in his product. Moreover, by using their presence in his advertised specifications, their reputation may be capitalized into consumer goodwill for his product. There thus appears to be a very positive relation between the direct and indirect markets in such a case and the use of consumer advertising would seem to be profitable.

The record of advertising shows an average of one full page each month since the latter half of 1928. In January, 1932, it is asserted that 62% more Perfect Circles were installed by automobile owners in 1931 than in any previous year. This may of course have been due to a tendency to restrict purchases of new cars during that period and to repair the old. It is surely evident,

however, that a part of this increase was the result of advertising. Hence this sort of advertising is amply rewarded by increased direct sales and there is still a possibility for a very beneficial effect.

The advertising employed emphasized effectively the undesirable results of worn rings and consequent oil pumping. The resulting improvement from the installation of Perfect Circles is pointed out by means of the "before and after" method. Thus it is evident that the primary objective is the replacement market. Any indirect results are therefore a secondary objective in this case.

Thompson valves are almost identical in nature to the product just discussed and, for this reason, little time need be devoted to their consideration. The market, obviously, is limited strictly to the manufacturers and owners of automobiles. Here again the appeal is almost entirely to the replacement market and thus any indirect results are secondary. The advertising consists of ten pages in 1929 and five in 1930. The appeals are to the desire for better performance. The discontinuance may in this case be attributed to failure of the desired results -- increased replacement sales. The failure may be reconciled, however, with the apparent success of the advertising in the previous case. Control of oil pumping may be accomplished only by an oil control ring of

high quality. But the unsatisfactory performance resulting from faulty valves may be remedied by new valves of any quality. In the case of rings the quality is evident almost at once, while in the latter, considerable time must elapse. It is also possible to grind old valves and secure further satisfactory performance while in the case of rings, no such adjustment is possible. The potential market for valves, therefore, seems more limited and this limitation would in all probability extend to the indirect benefits.

We come now to the last of the items falling within subgroup 1, b, of the major group, A. Timken bearings constitute, perhaps, the classic example of consumer advertising of fabricated parts. At least this is the product most frequently mentioned in this connection and the first to come to mind in its consideration.¹ The peculiar characteristics of the product will, therefore, be discussed first. Following that the factors brought out in connection with the other bearings will be summarized in their relation with Timkens.

The advertising employed will be discussed. The tabulation shows fifteen pages in the latter half of 1927,

1. An illustration of this fact is offered by the title of an article appearing in August 28, 1930 in *Printers' Ink*. "Allegheny Steel Takes a Tip From Timken" -- in which consumer advertising is discussed.

twenty-six in 1928, twenty-six in 1929, twenty-five in 1930, and ten in 1931. The primary appeal is to users of automobiles, but industrial uses are stressed intermittently. The general policy seems to be to keep the name "Timken" consistently before the public by means of advertising and to establish its identification with efficient operation of machinery. The appeal to industrial users is typified by the expression: "Waste's Red Figures Turned to Black". The point is thus emphasized that the elimination of friction may accomplish the small saving which results in the difference between net loss and net profit. In the latter periods of the survey "Cars That Stay Young" is the slogan repeated frequently accompanied by a list of cars utilizing Timkens. The atmosphere of youth is created by means of a red-haired girl frequently displayed driving a speeding motor. It is attempted to establish the "built-in" quality of the bearings by frequent display of the steel mill machinery and processes used in their fabrication. The superiority of these processes is indicated in this connection. The general theme of Timken's fight against waste and the consequent longer life of machinery through the elimination of friction is played upon continuously. By means of the name displayed in a characteristic fashion, the continuity of the program is attempted. Thus, whatever the particular use featured, the name and nature of the pro-

duct remains continuously in evidence. By this means, prestige established in one connection may be carried over to other possible uses.

The general attitude in the trade toward consumer advertising of such products is brought out by the following:

The Timken Companies, manufacturing axles and bearings for automobiles, have only a few hundred actual prospects, yet the cornerstone of their business, practically speaking, is the prestige built up through persistent advertising in consumer mediums.

The nature of the product obviously precludes the possibility of using style or appearance appeals. The theme used, that of efficiency through the elimination of friction, is therefore the logical one and is equally effective in exerting influence upon the manufacturer and the consumer. It is also applicable so far as industrial users are concerned. Thus the enhanced efficiency of the final product may facilitate sales to the manufacturer in the first place. Consumer recognition enhances the salability of his product and results in further pressure upon the manufacturer of the final product. In addition, if the motor car user be also a manufacturer of machinery or a user of machinery in his business, there exists the possibility of the carry-over of goodwill to this further market. We see, therefore, a composite group of interacting forces which may result in a beneficial effect up-

1. Cheltham Bold, "Some Light on the Hazy Subject of 'Thin Circulation'", Sales Management, April 1924, P. 787.

on the sales of the fabricated part.

It should be mentioned, however, that though bearings are a rather insignificant part of the whole, their vital nature makes them of greater significance in bringing about a decision on the part of the consumer. The comparatively high unit value in proportion to size is another important consideration previously dealt with. But perhaps of greater significance yet is the scope of possible adaptability. The indirect effects previously mentioned will be greater, without doubt, the wider the scope of the potential market. Many consumers of any given product in which such bearings are used, may be potential users in another capacity. Thus the indirect benefits of advertising may be manifold.

2. Those constituting a relatively significant part of the finished product.

It has been mentioned previously that the greater the proportion of the finished product represented by the part, the greater will probably be the profit which accrues from its advertising. The reasoning by which this conclusion is reached is simple. If the part is insignificant in comparison with the whole, the consumer will not be influenced to any extent in making his purchase. These have been characterized as "selective buying mo-

tives,"¹ and are frequently considered essential to the profitable advertising of parts of this nature. Other benefits such as decreased manufacturer and dealer resistance, however, will in some cases make advertising profitable. But it is evident that if the consumer is definitely influenced in his selection, a greater benefit will accrue. Moreover, if a sale of the entire product may be effected by advertising the part, a greater price may be commanded for the part which will tend to make advertising profitable. If the increased sales and increased price commanded are sufficient, it is sometimes profitable for the manufacturer of the part to stimulate sales of the whole. But this is sufficient by way of iteration.

It may be as well to discuss as a group, the three makes of automobile bodies appearing next. The advertising for the three is quite similar in nature but differs considerably in extent. The tabulation shows thirteen pages for Fisher in the latter half of 1927, twenty-six in 1928, twenty-three in 1929, eighteen in 1930, and eleven in 1931. Murray coach work carried six pages in the latter half of 1927 and four pages in 1928. Briggs bodies carried five pages in the latter half of 1927 and one in 1928. It is unlikely that the advertising conducted by the latter two

1. Commentary by N. H. B., "Hartley Company," Vol. 6, Harvard Business Review, P. 465.

manufacturers was adequate to establish the product with either the public or manufacturers. The truth probably is that they were already rather well established with the motor car manufacturers whom they served. It is unlikely that it seemed possible to extend the market to other manufacturers since their policies are in all probability well defined and stable. An increase in sales, therefore, must necessarily come about by an increase in the total sales of the motor cars equipped with these bodies. At all events, it seems evident that the advertising employed was not profitable. But the secret probably lies in that the policy was not pursued with sufficient aggressiveness or for sufficient time to bring out the maximum benefit or constitute a fair test.

The situation is somewhat different in the case of Fisher bodies. It has been indicated that the campaign conducted by this manufacturer has shown a fair degree of continuity. What might differentiate this case from the two just discussed? In the first place it is well known that the Fisher Body Corporation is a division of General Motors. In fact, the advertising brings out this point. Moreover, Fisher bodies are used only on General Motors cars and are used exclusively with the exception of Cadillac and LaSalle which use Fleetwood bodies. Thus Fisher body advertising may be considered in the nature of a coopera-

tive type. There is some evidence to support this view in the frequent featuring of a General Motors car in the advertising. The point to be made here is that to sell more Fisher bodies is to sell more such automobiles and vice versa. If Fisher bodies become a factor in the sale of these automobiles, profit accrues to the entire group of General Motors manufacturers. There is no attempt to influence other manufacturers for the direct market is controlled. The sole object, therefore, must necessarily be to add sales appeal to General Motors cars because of the use of Fisher bodies. The results of such advertising, if it is successful, will be to add prestige to General Motors cars and to General Motors products as a whole provided the bodies give satisfaction in use. The advertising is therefore more nearly analogous to that of products with an exclusively direct market. No great significance, so far as the advertising of fabricated parts is concerned, need be attached to the slackening of effort apparent during the latter periods of this survey. This may be accounted for by the appearance of a number of two-page, general goodwill building advertisements which have appeared on behalf of General Motors recently. The conclusion, then, is that advertising efforts are taking a slightly different trend now that considerable prestige has been built up for Fisher bodies.

In the advertising which appears, the obviously signifi-

cant points have been stressed. The attempt throughout is to create an atmosphere of luxury by the methods familiar to all. In nearly every advertisement we see fashionably dressed people engaged in leisurely pursuits. In addition to this general atmosphere, the factors of beauty, luxurious appointments, style, and durability are brought out. These have a strong appeal to the motoring public. In addition, it is indicated that production in volume has resulted in lower costs. It is implied, of course, that this saving is passed on to the user. This has probably become of greater importance recently.

The avowed objective of the company may be gathered from the following, used in 1922 in the introduction of the trademark. "This symbol - which will appear from this time forward, on all finished products of the Fisher Body Corporation - records the care which the motor car manufacturer has exercised in providing your car with a body of the very best quality obtainable."¹ From this we may imply that an attempt was to be made to give to the body a definite appeal in the finished product. That it has met with some success is surely evidenced by the continuation of the advertising over a ten years' period.

1. "Giving an Advertising Identity to Automobile Bodies", Printers' Ink, September 21, 1922, P. 53.

In Bristol steel golf shafts we have a part which probably overshadows the balance of the finished product in significance. In general, the sales efforts directed toward the replacement of wood by steel in this use, have been markedly successful. Certain characteristics of steel have been to its advantage from the start; others have been unfavorable. The unfavorable characteristics have been overcome one by one and universal preference has at last been established. Their acceptance by the United States Golf Association for use in tournament play has finally removed the last barrier to dominance of the field by steel shafts. Advertising had no doubt played an important part in accomplishing their acceptance. But here we have a case where the significance of the part renders it almost analagous to products with an exclusively direct market.

The advertising consists of only three and one-fourth pages in 1928 in units of one-fourth page. The atmosphere created is that of the golf course by means of appropriate scenes. The points of superiority of steel over wood such as greater distance, uniformity of "feel," proper torque, and proper whip are brought out. The apparent abandonment may be accounted for on several counts. By the close of 1928 the tendency was apparent. Steel was to replace wood. The possibility of increasing sales was largely dependent upon increasing the sale of

clubs. Numerous other agencies were diligently at work at this task, however. The sale of shafts is largely controlled by two manufacturers. It would thus appear that competitive efforts could more profitably be directed toward the manufacturers of golf clubs while matters were permitted to take their inevitable course so far as the user was concerned.

In Hercules truck engines we have a product which, at first consideration, would appear to lend itself well to consumer advertising. In all probability the replacement market is negligible except where the truck is originally equipped with Hercules. This exception, of course, would not be subject to influence by advertising. But the significance of the item is sufficient that it might constitute a very effective selective motive. The record of advertising, however, would lead to a different conclusion. But seven pages were utilized in all and advertising was confined to 1930. The theme of the copy centered around heavy duty use and resistance to abuse. The uses were listed each time and consisted of oil field trucking, agricultural trucking, industrial work, snow plows, snow-loaders, sprinklers, sweepers, scrapers, rollers, and other road machinery. The use of advertising was not extensive enough to constitute a fair test but its failure, if such it was, may be readily accounted for. The general

public has no interest in the selection of such equipment as that listed. The circulation of general periodicals, therefore, is exceedingly thin so far as the market for it is concerned. Those who must be reached consist primarily of road contractors, state, county, and municipal highway and street departments, and a few others. They may much more effectively be reached by road and street periodicals. Hence, the abandonment of the advertising program was probably wise.

Timken axles are similar in some respects to the product just discussed but vary in one which is important. The product is adaptable to a far wider market which has a tendency to make consumer advertising more profitable. There is no replacement market with the exception of that for parts. It is sufficiently significant to call into action, selective buying motives on the part of the consumer and may effect the choice in borderline cases. But probably the most important factor in its advertising has been mentioned. A satisfied user in one capacity may be a potential user in another. For example, a utility company operating trains equipped with Timken axles may be contemplating the installation of auxiliary bus lines. The officials who know of the satisfactory service of the tram drives will be led to demand them on their buses. It is necessary, however, that they have knowledge through advertising of the adaptability of Timken axles to this use.

The record of advertising shows six pages in 1928, seven in 1929, and three in 1930. The general nature is in accord with the above analysis. Each advertisement features a different use to which the product may be put. In some cases there is a cut-away of a truck or bus showing of just what the axle assembly consists. The points of silence, efficiency, and long life are stressed. The first of these in the case of public carriers is valuable publicity if the public knows of the reason for silent operation. Thus the Chicago Lakeshore train is featured on December 7, 1929 and a list given of cities using the equipment. Satisfied passengers may be potential purchasers in another capacity.

A sidelight upon the policy of the Timken-Detroit Axle Company is offered by Printers' Ink.¹ In this article it is pointed out that in 1921 the company advertised to consumers, appealing to them to purchase cars and trucks, making no reference to Timken Axles. In another article,² the use of a motor truck for the showing of a movie of axle construction, is discussed. A complete

1. "Reaching the Prospect Who Can't Make Up His Mind", Printers' Ink, July 14, 1921, P. 42.

2. "Timken Takes a Sales Movie to its Users Via Motor Coach", Sales Management, Vol. 12, 1927, P. 1023.

tour of the country was made for goodwill purposes.

The above citations are given to show that considerable effort is exerted for the purpose of creating goodwill.

It is probably that considerable direct mail and trade paper advertising is done for like purposes and that

here as in the case of Hyatt bearings, consumer advertising is for the purpose of topping off the program.

If this be true, as it probably is, little significance may be attached to the discontinuance of advertising following 1930.

B. Items, the demand for which shows a tendency toward becoming entirely indirect.

The distinguishing characteristics of this group have been referred to previously from time to time in some detail. There are two instances in which the indirect market may be invaded by the accessory route. The first occurs when the particular industry which it is hoped will adopt the part is in a state of evolution. An excellent example is afforded by the radio industry. In its early or experimental stage, parts were advertised and marketed direct to the users who assembled the parts. Later when simple sets were sold, accessory equipment was sold direct for rebuilding or extending the assembled sets. The market thus became familiar with the manufacturers who were innovators in the field and parts made by them carried a sales appeal in the later completely assembled sets.

The second instance is exemplified by the automobile industry at the present time in which the "novelty" and "expansion"¹ stages have been left behind. Here in many cases it is necessary for a product to be tried out, so to speak, by means of accessory sale and use. Once it becomes accepted and perhaps demanded by the user, the au-

1. Clare Elmer Griffin, "The Evolution of the Automobile Market", Vol. 4, Harvard Business Review, 1925-26.

tomobile manufacturer will adopt it as standard equipment. The makers whose names are familiar to the public in this connection will have a competitive advantage in selling these manufacturers. As it has been pointed out before, (page 57) the trend of public demand or custom is important. An example of failure to combat such trend consists of the campaign to bring magnetos again into general use for ignition. The magneto was in general use before the time of the generator and storage battery but in 1919 was retained only for heavy duty purposes on trucks and farm engines. Since it has certain advantages for passenger car use, the manufacturers decided upon a joint campaign.¹ In spite of the advantages, however, the magneto has not been restored to its former position. The reasons for this probably consist of the indisposition of manufacturers to further complicate the product and the satisfactory performance of present equipment so far as the user is concerned.

Little more need be said here by way of introduction to this group. The primary objective of this study has been covered under group A. The balance of the discussion will, therefore, be brief. It is felt, however, that the advertising of such items as appear in groups B and C

1. "Magneto Manufacturers in Joint Campaign", Printers' Ink, Vol. CVII, April 3, 1919, P. 75.

has some bearing on the main problem. For that reason it is to be discussed in its relation to this problem. Those products which have already been discussed in connection with group A, will not be given further consideration.

1. Those constituting a relatively insignificant part of the finished product.

So far as the direct market is concerned, the consideration of relative significance is of little importance. It becomes more important, obviously, the nearer the approach to a wholly indirect market. This point has been adequately discussed previously. (Page 45)

- a. Those apparent to the eye.

It is true here also that with a direct market, little importance need be attached to this factor so far as identification is concerned. One thing should be mentioned, however; that the nature of the product will affect the type of appeal to be made. Those which are apparent after installation will of course be subject to appearance appeals but with mechanical items this appeal is negligible. Nevertheless, for sales to the direct market, it behooves the manufacturer to make his product as attractive as possible regardless of its nature.

The advertising of A. C. products has appeared to have

the primary objective of keeping the "family" name continually before the public. As new products are brought out they are featured, while in each advertisement, the entire line is listed with perhaps small cuts of the products. That spark plugs constitute a profitable product is testified by the frequent featuring. There is some intent to increase replacement with the appeal of better motor performance. It has been brought out previously that consumer recognition and use of such a part may be valuable in securing manufacturer acceptance for original equipment. As was pointed out in the case of Lovejoy shock absorbers made by Delco-Remy, the "family" idea may be quite valuable in bringing out new products. This appears to have been played upon in the present instance. There is a further point which should be made here. The installation of A. C. oil filters as original equipment provides a market for replacement cartridges. This is a potential market so long as cars so equipped continue to be driven. The replacement interval may probably be decreased by advertising. That this has been attempted is evident.

The advertising for Fafnir ball bearing spring shackles consists of seven pages in 1928, two in 1929¹, and two in 1930. The appeals consist of freedom from wear, comfort, "no greasing, no squeaks, no rattles."¹ Some in-

1. Saturday Evening Post, July 7, 1928.

1.
teresting information about the company is available. Prior to 1923, 65% of sales were to automobile manufacturers but lack of diversification made sales subject to depression in this industry. Accordingly, an effort was made to diversify the line in order to stabilize sales. The effort necessitated a great increase in the advertising appropriation but the results justified the expenditure. A bearing box for use on grain blowers was worked out and promoted direct to users as a replacement part. By this means pressure was brought to bear successfully upon manufacturers to install the product as standard equipment.

The above information may throw some light on the present case. In the first place, it will be noted, that the part considered here is but one item in a larger line. Moreover, promotion of a part to the user has been used successfully by the company in exerting pressure upon the manufacturer of the complete product. The campaign under consideration may thus be looked upon partly as a "topping off" factor in a larger program. In addition, and perhaps primarily, it is an of-

1. Commentary by M. T. Copeland, "Fafnir Bearing Company", Vol. 9, Harvard Business Reports, P. 100. Problems in Marketing, P. 611.

fort to bring pressure to bear upon the manufacturer.. If successful it can be only slightly so because the scope of the potential market is not sufficient. The device could be marketed to only the owners of higher priced cars. The shackles with which modern automobiles are equipped are sufficiently satisfactory that a ball bearing shackle will have little appeal. At best, the advertising would be useful only in introducing the product.

Five makes of shock absorbers are listed in the group at present under consideration beside Lovejoy which was discussed under group B. The analysis of the latter is felt to be adequate and sufficiently comprehensive to cover the entire group. It is not likely that any new principles might be developed by a further detailed analysis and little else need be said here. In all cases there appears to be a primary motive of invading the direct market. The prestige thus attached to the product will be effective in approaching manufacturers for the purpose of also invading the indirect market. It is conceivable that should the market become entirely indirect, the advertising will continue to be profitable in maintaining this prestige. This conclusion has been born out in the analysis of other products.

One peculiarity of the advertising of the numerous makes of shock absorbers stands out and should be mentioned. In

the early part of the period surveyed, the majority of the types advertised employed the friction principle. The shock absorber consisted of a spring and friction device rigidly attached to the automobile frame. A web strap was used to connect with the axle and to check the rebound. Thus the down motion was not controlled but only the rebound. Houdaille, however, utilized the hydraulic principle and exercised control over the flex as well as the rebound of the spring. The unsuccessful attempt to maintain the market for the friction type through advertising is an interesting feature of the advertising. The obvious advantages of the hydraulic, double action principle finally resulted in its triumph. This principle has ultimately been adopted by all shock absorber manufacturers thus illustrating once more the futility of combating a marked trend in the industry. Another aspect of the same thing centers about price. So far as the direct market is concerned, price is important. When the indirect market is considered, however, price becomes of less significance and quality more important. When the item becomes standard equipment and the price incorporated in that of the whole, it represents a selective motive of less force. In the present instance, however, competition has been so acute as to probably reduce the price to a minimum. Thus the motive of producing the most modern and efficient product has no doubt overcome the price difference so far as motor car manufacturers are concerned.

Pines Winterfront is not materially different from other products utilizing the accessory route in order to become established with the public. That the method has been successful is born out by the fact that the higher priced cars today are equipped with radiator shutters of one kind or another. If the market is not served by this manufacturer it is because of failure to compete on a price basis or to pursue a sufficiently aggressive selling policy directed at automobile manufacturers. With the public, acceptance has virtually been accomplished.

b. Those not apparent to the eye.

A. C. and Bendix products having been dealt with previously, we proceed to a discussion of Bohnalite pistons. Substantially the same principles apply here as in the case of piston rings and valves considered under group A. Examining the advertising, we find it addressed primarily to the direct or replacement market. The record shows six pages in the latter half of 1927, fourteen pages in 1928, nineteen in 1929, nine in 1930, and one in 1932. The attempt appears to be to secure sales in the direct market and incidentally to establish prestige which may be used in approaching motor car manufacturers. The direct market has been considerable in the past but is becoming of lesser importance with the increased use of light, wear resisting alloys such as Bohnalite. Thus, advertising to this market is of less profit than formerly. The manufacturers of such alloys have been success-

ful in establishing their superiority in this use. Thus it may be felt in this case that efforts should be concentrated upon manufacturers. However, there would seem to be some advantage in building and maintaining consumer influence through continued advertising. This would seem to be especially true since the alloy is adaptable to many other uses where lightness and resistance to wear are desirable.

The case of Lynite pistons and connecting rods is closely analagous to that just discussed. This product, however, is but one of the large group produced by the Aluminum Company of America. Thus the prestige building factor would appear to be of greater importance here. The product should certainly be able to capitalize the prestige already attached to other aluminum products. In addition, satisfied users of Lynite pistons, either as original equipment or as a replacement, may be potential users in another capacity.

The advertising consists of three pages in the latter half of 1927, eight pages in 1928, eight in 1929, ten in 1930, and three in 1931. At the same time considerable advertising of a general, goodwill building character has appeared on behalf of aluminum products. It thus seems evident that advertising of the specific product was utilized for purposes of introduction. After the success-

ful accomplishment of this objective, general advertising is relied upon to maintain goodwill with the consumer and manufacturer.

The advertising of Houdaille-Hershey products has been discussed in part. For the balance, it is similar to the family type employed by Delco-Remy and need not be considered further.

2. Those constituting a relatively significant part of the finished product.

Except for physical proportion, disastrous results of defects, and perhaps value, there is no reason for placing the items in this group in a separate category. But the above characteristics seem sufficiently distinctive to warrant their consideration apart from the less significant fabricated parts.

The advertising of Ross steering gear, a product of the Ross Gear and Tool Company of LaFayette, Indiana, consists of four pages in 1927, eleven in 1928, ten in 1929, four in 1930, and none following that year. The appeals utilized are ease of control, and safety due to the elimination of lost motion and wasted effort. Identification is attempted by means of the display of a symbol with which the product is marked. Lists of the cars and trucks equipped with Ross gear are also published.

An article which appeared in Printers' Ink throws some light upon the problem.¹ The object of the first series of advertising which began in 1919, had for its object the sale of more motor trucks. The result would of course be increased prestige with the truck manufacturers. In so far as truck sales were increased, a potential increase in the market for Ross gear would result. In this case, but of the group of potential purchasers, a substantial share installed the product. The satisfactory experience of the company at that time may have had some influence in suggesting the campaign in the present instance. It is quite likely that the object was insurance against loss, of the market already controlled. A secondary objective may have been extension of the market to other potential users. These objectives accomplished, the policy was abandoned. The scope of the market and value of the part would seem, however, to justify continued pursuit of the policy to a moderate extent.

The introduction of Safety-Glass in this country has had an interesting history.² It was being used extensively in England long before it was introduced here. In 1926 a company was organized to manufacture and sell Safety-

1. "A Parts Manufacturer Advertises the Whole Product", Printers' Ink, Vol. CXIII, Nov. 4, 1920.

2. Thos. Austin Calhoun, Sales Manager, Triplex Safety Glass Company, "From Nonentity to Limelight"; Sales Management, Vol. 19, 1929.

Glass in this country. It was deemed necessary first to sell the public on the idea. Accordingly the first year was spent in advertising safety from the danger of flying glass. Other fields beside automobile use were invaded. When the public began to demand Safety-Glass, the automobile manufacturers were sold. We thus have one more example of where the indirect market is successfully invaded by the accessory route.

The advertising tabulated in this case was that of the Libbey-Owens Ford Company. It consists of eleven pages in 1930, eight in 1931, one in 1932 with four additional of a cooperative nature featuring Studebaker's use of Safety-Glass. The obvious appeal, that of personal safety, is utilized. The use of advertising appears to have been quite successful in introducing the product. It is likely that as a competitive measure it will continue to prove profitable.

C. Items for which there is and will probably continue to be considerable direct demand.

The considerations applying to this category do not differ widely from those discussed in B. It is necessary, of course, that the part be identifiable in some way after its incorporation in the finished product. By such identification, consumer recognition becomes a factor in the sale. Since the items in the group listed here are comparatively insignificant, selective buying motives cannot be brought to bear but consumer influence may strengthen buying motives already in existence. However, if selective buying motives come about through customer preference the possibility of replacement of the part would render them somewhat inoperative so far as a particular finished product was concerned. To illustrate, suppose the customer would buy only a car equipped with a certain make of spark plug. This would be no incentive for a manufacturer to equip his cars exclusively with this plug. Those having a special preference may be served in any given instance by installation at the sales room of the preferred part. That is to say, if a particular part is to be the deciding factor, the approval of the customer may be secured by the installation of the part he desires. Thus an otherwise only partly acceptable product may be made wholly acceptable.

An important characteristic of this group lies in the fact of a continuing direct market. Advertising may thus continue to be profitable without regard to the indirect market. But as it has been suggested, the market for original equipment, if extensively served, may enable the manufacture to pay fixed costs and the direct or replacement market become increasingly profitable.

The first item in this group not already discussed is Bassick casters. The advertising conducted in this case, however, is not extensive enough to give a basis for analysis. We therefore pass on to the next which will serve the purpose since the product is to all intent, identical.

The advertising for Noelting Faultless casters consists of units of one column each appearing as follows: three-fourths page in 1927, two pages in 1928, one and one-half pages in 1929, two and one-fourth pages in 1930, and two and one-fourth pages in 1931. Numerous uses are pointed out from time to time in the advertising. They vary from home furniture to that in the Waldorf Astoria and from factory trucks to office chairs. The appeal is that of ease of moving furniture and the resulting absence of scarred floors. Identification of the part is accomplished by means of a stamping on the roller and a card attached to the finished product.

It seems evident that this is an item which lends itself admirably to consumer advertising. The direct market, being wide in its scope, surely justifies its use. In addition the indirect market may be invaded by capitalizing consumer recognition. The continuity of the program lends force to this conclusion.

IX

SUMMARY AND CONCLUSION

If the result of this study were to be summed up in a single statement, it would be somewhat as follows:

The profitableness of consumer advertising of any particular fabricated part will depend almost wholly upon the peculiar characteristics of the part and a valid judgment will be predicated upon a painstaking analysis of these characteristics and of the market for the part. Such a statement may appear to beg the question but this is not necessarily true. General principles may be laid down which will guide the judgment and which may be safely relied upon. An attempt is therefore made to state these principles.

The more significant the part with respect to the whole, the more profitable is its advertising likely to be.

The wider the scope of the potential market and the greater the adaptability of the part, the more profitable the advertising.

The wider the market for the finished product, the more profitable the advertising of the part.

By means of direct sales as an accessory, a part may become accepted and demanded as original equipment.

The continuance of a direct market adds to the profitability of the advertising of a part.

It is not necessary that selective buying motives be established in order that advertising of a fabricated part may be profitable.

Quality in the part is necessary in order that prestige with the consumer and manufacturer be maintained.

Identification of the part in the finished product is desirable if it is to be advertised.

Advertising of a fabricated part may not combat a trend in the industry successfully.

Prestige created for a family of products may be capitalized in introducing a new product.

Consumer advertising of a fabricated part is most successful when used in conjunction with a comprehensive industrial campaign.

Advertising of a fabricated part is most useful in securing its introduction but may be continued in order to maintain prestige.

The ramifications of these principles, as applied to pro-

ducts of varying nature, have been indicated from time to time throughout the analysis and need not be mentioned here. It may be said finally, that quite reliable conclusions may be reached, in any given case, by a reasonable application of the above principles.

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